

# **NAVAL POSTGRADUATE SCHOOL**

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## **THESIS**

**OMNIBALANCING IN SYRIA: PROSPECTS FOR  
FOREIGN POLICY**

by

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December 2000

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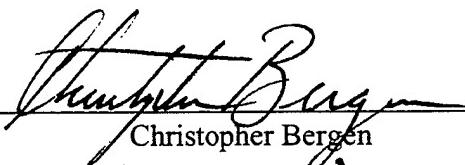
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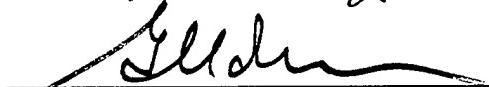
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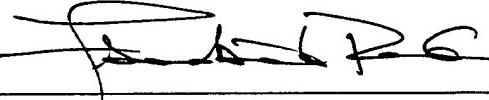
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## **ABSTRACT**

Syrian foreign policy has been routinely misunderstood as the domain of one man – Hafiz al-Asad, and now his son Bashar al-Asad – who makes decisions irrespective of domestic political considerations in Syria. This thesis challenges that conceptualization by arguing that domestic concerns are the central element in the making of Syrian foreign policy. I argue Syrian foreign policy is best understood as the result of “*omnibalancing*” the interests and threats of the two key groups of the authoritarian bargain: the ‘Alawi military elite, and the Sunni urban business class.

The ‘Alawi military elite form the backbone of the Syrian regime. Members of this minority make up only 12 percent of the Syrian population, but hold important leadership positions throughout the state.

The Sunni business class rose to prominence in the Syrian regime because it has the ability to reduce the regime’s expensive overextension. This group has become junior partners to the ‘Alawi military elite.

The key to the analysis of Syrian foreign policy is the regime leadership’s ability to balance its’ external and internal threats. Conceptualizing Syrian foreign policy through the lens of *omnibalancing* sheds light on Syria’s calculations over a possible peace deal with Israel in the years ahead.

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## TABLE OF CONTENTS

I. INTRODUCTION .....	1
A. THESIS .....	2
B. DILEMMAS FACING SYRIA .....	6
C. METHODOLOGY.....	10
II. THE ‘ALAWI MILITARY ELITE.....	15
A. ‘ALAWI MILITARY ELITE TIES TO THE REGIME.....	16
B. ‘ALAWI MILITARY ELITE INTERESTS .....	20
1. Military Role as Protector.....	20
2. Perception of Rising Threats.....	23
C. ROLE OF LEBANON .....	27
1. ‘Alawi Military Interests in Lebanon.....	29
D. MILITARY ELITE INTERESTS IN A PEACE AGREEMENT .....	32
1. Israeli Security Demands .....	34
III. SUNNI URBAN BUSINESS CLASS .....	37
A. PARTNERSHIP WITH THE ‘ALAWI MILITARY ELITE .....	37
B. POLITICAL ECONOMY UNDER THE ASAD FAMILY .....	39
1. Soviet Union Military and Economic Aid.....	40
2. Oil Money.....	42
3. Economic Crisis.....	43
C. INCLUSION OF THE SUNNI URBAN BUSINESS CLASS .....	45
D. TIES TO THE ‘ALAWI MILITARY ELITE.....	48
1. Empowerment of the Sunni Urban Business Class.....	49
2. Political Growth of the Sunni Urban Business Class.....	51
E. URBAN BUSINESS CLASS AND FOREIGN POLICY.....	53
1. Domestic Steps Toward Peace .....	54
IV. CASE STUDY - SYRIAN PARTICIPATION IN OPERATION DESERT STORM.....	57
A. CONTEXT .....	58
B. REALIGNMENT VERSUS EXTERNAL THREATS .....	61
C. INTERVENTION AND REWARDS .....	62
1. Military Benefits.....	65
2. Urban Business Class Benefits .....	67
3. Regime Benefits .....	68
D. CASE STUDY ANALYSIS .....	69
V. CONCLUSION.....	71
A. ASSUMPTIONS .....	71
B. OMNIBALANCING THE ELITE STRUCTURE OF POWER .....	73
C. INTERNAL STABILITY REQUIREMENTS .....	75
D. THE SYRIAN POSITION FOR PEACE .....	76
E. POLICY IMPLICATIONS FOR THE UNITED STATES .....	77

VI. APPENDIX A.....	79
INITIAL DISTRIBUTION LIST .....	85

## EXECUTIVE SUMMARY

In 1999, the United States deemed that developments in the Middle East “profoundly affect America’s future.”\* A defining interest for the United States is the resolution of conflict between Israel and its neighbors and a normalization of relations between Israel and the Arab states.

Syria and Lebanon remain the last Arab frontline states yet to sign a peace agreement with Israel. Arguably, a peace agreement with Israel will be the most important foreign policy issue facing these nations in the coming years. The close relationship that exists between Syria and Lebanon is the result of geography and common history. More recently, however, the two nations signed the Treaty of Brotherhood, Cooperation and Coordination in May 1991, which gives Syria a central role in Lebanese security and foreign policy. Lebanese foreign policy would follow major Syrian initiatives due to this treaty and the strong Syrian presence in Lebanon. By comprehending the influences of Syrian foreign policy, one can better understand the circumstances that would drive Syria and Lebanon to seek peace, war or maintain the *status quo*. This understanding should be a central element in U.S. foreign policy towards the region.

Syrian foreign policy under the Asad family regime is based on the interests of the ‘Alawi military elite and the Sunni urban business elite who compose the authoritarian bargain in Syria. Rather than acting on the behalf of popular public attitudes, strategic

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\* William J. Clinton, *A National Security Strategy for a New Century*. (Washington, D.C.: Government Printing Office, 1999), 41.

interests of the nation, or the whim of its president, *Syrian foreign policy is the result of omnibalancing the interests of these two narrowly defined classes.*

The ‘Alawi military elite is closely aligned to the regime leadership not only ethnically, but through tribal alliances, marriage, and personal ties. The business class rose to prominence in the Syrian regime because it had the ability to reduce the state’s role in the economy and lessen the burden of financial responsibility on an overextended state apparatus. With privileged connections, this business elite has moved to the forefront of the Syrian economy and has become a junior partner to the ‘Alawi military.

Internal stability is the first requirement for the Syrian regime of Bashar al-Asad to sign a peace agreement with Israel. In power for less than a year, the son of Syria’s longest ruling leader must prove that he is capable of providing the support to the members of the authoritarian bargain before he will be able to enter into final negotiations. In the interim, if the current regime can also improve Syria economically, the new president will garner increased support from the Syrian people as well as the Sunni urban business class. If Asad can maintain the military’s *status quo*, and yet improve the economic power of the Sunni urban business class, he will be more likely to be and more flexible in, peace negotiations with Israel. At the same time however, Asad cannot sign any agreement that would constrain the power or prestige of the ‘Alawi military elite. His current position in office is due directly to the support of this group. Should the ‘Alawi military elite feel their interests are endangered they will not hesitate to replace him.

## **ACKNOWLEDGMENTS**

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## I. INTRODUCTION

Since the end of World War II, Middle Eastern relations have been at the forefront of the United States foreign policy. Three key issues have predicated U.S. foreign policy in the Middle East during the last half-century. They are:

- The Cold War confrontation against the former Soviet Union,
- The security and availability of petroleum resources from the world's largest producers, and
- The state of Israel and its ability to survive against an array of Arab opponents.<sup>1</sup>

As a new century begins, the importance of Israel's security has not diminished. In 1999, the United States deemed that developments in the Middle East "profoundly affect America's future."<sup>2</sup> The third key issue for the United States is the resolution of conflict between Israel and its neighbors and a normalization of relations between Israel and the Arab states.

Syria and Lebanon remain the last Arab frontline states yet to sign a peace agreement with Israel. Arguably, a peace agreement with Israel will be the most important foreign policy issue facing these nations in the coming years. The close relationship that exists between Syria and Lebanon is the result of geography and common history. Most recently, however, the two nations signed the Treaty of

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<sup>1</sup> George Lenczowski, *American Presidents and the Middle East*. (Durham and London: Duke University Press, 1990), 7.

<sup>2</sup> William J. Clinton, *A National Security Strategy for a New Century*. (Washington, D.C.: Government Printing Office, 1999), 41.

Brotherhood, Cooperation, and Coordination in May 1991 (Appendix A) that gives Syria a central role in Lebanese security and foreign policy. Lebanese foreign policy would follow major Syrian initiatives due to this treaty and the strong Syrian presence in Lebanon. By comprehending what groups influence Syrian foreign policy, one can better understand the circumstances that would drive Syria and Lebanon to seek peace, war, or maintain the *status quo*. This understanding of Syrian foreign policy should be a central element in U.S. strategy in the region.

## A. THESIS

This thesis will accomplish two things:

- It will determine Syria's political elite, determine its sources of power, and show how it influences Syrian foreign policy. In this regard, the work will focus on the Asad family regime since the Syrian intervention in Lebanon in 1976, and how the domestic groups that allied to the regime influence Syrian foreign policy.
- It will describe the internal political conditions necessary for Syria to sign a peace agreement with Israel, undoubtedly the most daunting aspect of Syrian foreign policy.

Syria today is an authoritarian state. In authoritarian regimes, the focus of the leadership is usually the retention of power and the survival of the regime. Typically, the leadership is responsible to specific elements of society, such as the armed forces, to retain power. To maintain this control, the regime's supporters require patronage of one sort or another. To be able to dispense patronage, a regime typically requires an outside source of income, or state control of domestic sources of income. During the Cold War, alignment with the United States, as Iran and Israel did, or the Soviet Union as Syria did, secured this patronage. In some states with domestic sources of income such as oil, the

state retains control of the commodity and dispenses the profits to its citizenry in the form of goods and services. This is the case in Saudi Arabia where the government dispenses income derived from the state owned oil industry to the population in goods and services, but does not allow its citizenry to control elements of civil society. These states, known as rentier states, do not require civil participation in the government because the state produces income instead of by taxing its citizens. Moreover, the oil wealthy states of the Persian Gulf usually provide external rent in the form of direct cash aid. For example, Saudi Arabia and Kuwait bolster their ‘Arab credentials’ to their citizenry by giving large amounts of cash aid to impoverished Arab states such as Syria. Regimes that receive such aid likewise do not have to allow for greater civil participation as the regime secures the wealth and dispenses it. States that receive external rents will not be under the same pressure to democratize than those that do not.<sup>3</sup>

The Syrian state under the Asad family has evolved into what Amos Perlmutter described as a praetorian corporatist authoritarian state. In such a regime, a coalition of military and civilians hold the authority of the state with an executive who may or may not possess military skills. Two characteristics of a praetorian corporatist regime are that (a) leadership seeks political support from corporate consortia and (b) leadership tolerates political institutions such as a civilian parliament.<sup>4</sup> This aptly describes the internal

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<sup>3</sup> Giacomo Luciani, “The Oil Rent, the Fiscal Crisis of the State and Democratization,” in *Democracy Without Democrats? : The Renewal of Politics in the Muslim World*, ed. Ghassan Salamah (New York: I.B. Tauris, 1994), 131.

<sup>4</sup> Amos Perlmutter, *Authoritarianism and Development, A Comparative Institutional Analysis*. (New Haven: Yale University Press, 1981), 130-131.

politics of Syria, in which a coalition of the military, security forces, and urban business elite govern. This arrangement is called a *military-merchant complex*.<sup>5</sup>

Syrian foreign policy under the Asad family regimes, rests on the interests of the ‘Alawi military elite and the Sunni urban business elite who compose the authoritarian bargain in Syria. Rather than acting on the behalf of popular public attitudes, strategic interests of the nation, or the whim of its president, *Syrian foreign policy is the result of omnibalancing the interests of these two narrowly defined classes.*

The ‘Alawi military elite form the backbone of the Syrian regime. Since the nation’s independence, the Syrian military has enabled minorities to rise from poverty and oppression. Because of the use of minority groups in the French Mandate *Troupes Spéciales du Levant*, the majority group, the Sunni Arabs, disdained military service. The disproportionate representation of minorities continued after Syrian independence when the new Syrian army was comprised mostly of former French recruited minorities. The urban Sunni Arab elite, as a social class, disdained military service, and through successive coups in the 1960’s, the ‘Alawi minority rose to pre-eminence.<sup>6</sup> Members of this minority make up only 12 percent of the Syrian population, but hold important leadership positions throughout the military and security forces. Chapter II discusses the makeup of the Syrian military elite—the dominant member of the authoritarian compact—and its interests.

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<sup>5</sup> Glenn E. Robinson “Elite Cohesion, Regime Succession and Political Instability in Syria” *Middle East Policy*. V: 4 (January 1998), 161. Quote attributed to Sadiq al-Azm.

<sup>6</sup> M.E. Yapp, *A History of the Near East Since the First World War* 2<sup>nd</sup> edition, (London and New York: Longman, 1996), 98-99.

The urban Sunni business class, historically the dominant group in *bilad al-sham*, rose to prominence in the Syrian Ba'thist regime only recently because it reduced the state's role in the economy and it lessened the burden of financial responsibility on an overextended state apparatus. The irony of this sector's resurgence stems from the Ba'thist takeover in 1963, which marginalized the upper class and destroyed its political power. Following the 1963 Ba'th coup, the state expanded and created a public sector that controlled 75 percent of the economy and redistributed nearly 50 percent of large agricultural land holdings.<sup>7</sup> The antagonism between the regime and the Sunni urban business class would change under Hafiz al-Asad. The new relationship began in the early 1980's, but matured in the financial crisis of 1986. During this period external rent support to Syria ended and the Soviet Union withdrew their patronage from the region. With privileged connections, this business elite has moved to the forefront of the Syrian economy and has become junior partners to the 'Alawi military. The rise of the business class since the early 1980's and how it will change Syria will be discussed in Chapter III, but it is worth pointing out here that balancing the competing interests in the future will become increasingly difficult for the regime.

Chapter IV uses Operation Desert Shield and Desert Storm as the basis for a case study of *omnibalancing* inside Syria. This case study reveals how the *omnibalancing* of the elite interests formed the decision to side with the United States' led coalition against

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<sup>7</sup>Steven Heydemann, *Authoritarianism in Syria: Institutions and Social Conflict, 1945-1970*. (Ithaca and London: Cornell University Press, 1999), 163.

Iraq and how the elite of Syria were able to benefit from this policy. Three characteristics of the Gulf War earmarked its selection for analysis.

- No Cold War competition occurred during Operation Desert Shield/Storm. The Soviet Union's withdrawal from the region allowed each of the Soviet Union's former clients to pursue their own agenda.
- Syria's decision to side with the United States is the most recent example of a major foreign policy decision and many of the same principals who made that decision remain in its government today.
- The relationship between the military elite and urban Sunni Arab business class had crystallized by 1990 into its present form. Earlier case studies would need only account for the 'Alawi military interests, instead of both elite groups.

This thesis will conclude with an analysis of what internal conditions inside of Syria will be required to successfully conduct a peace agreement with Israel.

## B. DILEMMAS FACING SYRIA

The recent passing of President Hafiz al-Asad came at an inopportune time, because the mechanics of the power transition from father to son were unfinished. After Hafiz al-Asad died, the government quickly promoted his son, Dr. Bashar al-Asad, to Staff Lieutenant General (the highest military rank), and named him the commander of the armed forces. The Syrian constitution was amended the same day striking the requirements that the president be at least forty years old and a member of the Ba'th party Regional Command, of which Bashar al-Asad was neither.<sup>8</sup>

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<sup>8</sup> Brent Sadler, Andrea Koppel and The Associated Press. "Assad's son moves closer to Syrian Presidency." Available [Online] <http://www.cnn.com/2000/WORLD/mcast/06/11/assad.01/>

While the regime closed legal loopholes, the more fundamental issue was who would win the internal power struggle after Hafiz al-Asad died. The main contenders were the former President's son, (Lt. General Bashar al-Asad), the late President's brother (Rifat), and less likely, Vice President Khaddam, who had the most legal claim to power as first Vice-President. Following an expected landslide victory, the government swore in Dr. Bashar al-Asad as the Syrian President on 17 July 2000. While it seems the power transition is complete, President Bashar al-Asad must still be cautious to ensure that he retains his office.

Since 1995, military retirements and house arrests had been increasing. For example, 'Ali Haydar, formerly the commanding general of Syria's Special Forces, was summarily dismissed in 1995 for insubordination, which given his rank, equates to sedition.<sup>9</sup> The London Foreign Report stated that in October of 1999, a large scale military engagement occurred between forces loyal to Rifat al-Asad and a brigade commanded by then Staff Col. Bashar al-Asad at Rifat's private estate compound and port facility in Latakia.<sup>10</sup> This engagement, which took place less than a year ago, should give pause to any notion of an air of domestic tranquility.

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<sup>9</sup> Alain Chouet, "Alawi Tribal Space Tested by Power: Disintegration by Politics" (text) Paris Monde Arabe: Maghreb-Machrek in French (Jan-Mar 95). Translation by the Foreign Broadcast Information Service. FBIS Online Database – Near East South Asia 30 April 1997 (PrEx 7.10: FBIS – FTS19970430001572).

<sup>10</sup> Unattributed, "Rifat-Bashar Rivalry; Syrian Economic Crisis Seen" (text) London London Foreign Report in English (11 January 2000). Transcribed by the Foreign Broadcast Information Service. FBIS Online Database –Near East South Asia 11 January 2000 (PrEx 7.10: FBIS –FTS20000111001341).

The Muslim Brotherhood, which undertook the only serious effort to overthrow the Asad regime in the early 1980's, is probably the only non-elite group with any foundation for support. That the Syrian branch of the Muslim Brotherhood maintains offices in London, rather than the Middle East is a testament to the success of the regime in crushing the Brotherhood's uprising. Recent pronouncements from Ali Sadr al-Din al-Bayanuni, the Secretary General of the Muslim Brotherhood Movement of Syria, have been supportive of the new regime leadership and the measures it has taken.<sup>11</sup>

Internal politics and personnel changes have shown that Bashar al-Asad, who headed the government's anti-corruption campaign, clearly has assumed control of the government. For example, in early March of 2000, former Prime Minister Mahmud al-Zubi resigned his position.<sup>12</sup> A few days later, President Asad named a new cabinet in which Defense Minister Mustafa T'las was the only Ba'th Party Regional Command member. Prime Minister Mustafa Miru, who was not a member of the Ba'th party Regional Command, now heads the new cabinet. Other members of the new cabinet are closely associated with Bashar al-Asad.<sup>13</sup> Two months after he resigned his cabinet

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<sup>11</sup> Tawfiq Taha, "Syrian MB Leader Cites Positive Indications, Cause for Optimism in Syria." (text) Doha Al Jazeera Satellite Channel Television in Arabic. (17 July 2000) Translation by the Foreign Broadcast Information Service. FBIS Online Database – Near East 17 July 2000 (PrEx 7.10: FBIS – GMP20000717000099).

<sup>12</sup> Unattributed, "Previous Syrian Governments Changed Ministers for Misusing Public Funds" (text) London Al-Sharq al-Awsat in Arabic (10 March 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Data base –Near East South Asia 10 March 2000 (PrEx 7.10: FBIS – GMP20000310000089).

<sup>13</sup> Ibrahim Humaydi, "Syrian Official: The Ba'th Conference Will Catch Up with Domestic Changes," (text) London Al Hayah in Arabic (10 May 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Database – Near East South Asia 10 May 2000 (PrEx 7.10: FBIS – GMP20000510000091).

position, the Ba'th Party's Regional Command expelled former Prime Minister Zubi from the party on charges of corruption during his fifteen-year tenure as Prime Minister.<sup>14</sup> A week and a half later while under house arrest, al-Zubi died, reportedly a suicide.<sup>15</sup>

There can be no doubt that the death of Hafiz al-Asad has caused considerable confusion in the regime. How disruptive it will be depends on the number of changes made and the extent to which they achieve their intended results. Bashar al-Asad is strengthening his position, with each passing day of calm in the regime. Recent pronouncements by Rifat al-Asad claiming he will take his position as the President are probably empty threats. If Rifat al-Asad's position were strong, he would not make overt claims. He would simply act.

The elevation of Bashar to the Presidency after Hafiz al-Asad died is of secondary interest to the members of the authoritarian bargain. Like his father, Bashar must also address the needs of his main supporters. The recent retirements, arrests, and Zubi's death, is the result of jockeying within the elite leadership for influence and power. The elevation of Bashar al-Asad maintained the *status quo* of a system that has successfully ensured the interests of the elite leadership in Syria. Bashar al-Asad's longevity is directly proportional to the support he receives from the military-merchant complex. As

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<sup>14</sup> Unattributed, "Previous Syrian Governments Changed Ministers for Misusing Public Funds" (text) London Al-Sharq al-Awsat in Arabic (10 March 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Data base –Near East South Asia 10 March 2000 (PrEx 7.10: FBIS – GMP20000310000089).

<sup>15</sup>Penny Campbell, "Milestones." Available [Online]  
<http://www.time.com/time/magazine/articles/0,3266,47314,00.html>

with other issues, Syria's foreign policy is not solely dependent upon the personal position of its leader, be it either Hafiz al-Asad or his son Bashar.

Given the lack of political opposition to the regime inside Syria's borders, it is equally doubtful that a popular uprising will occur or some form of popular democratic movement will emerge. One wealthy Damascene merchant recently replied to the prospects of future democratization this way, "...not only do I not think so, but I do not want it. All we want is economic freedom and political stability."<sup>16</sup> The Sunni's richest elements have closely tied themselves to the regime and accordingly, they want the *status quo* maintained. *Any serious threat to Bashar al-Asad's assumption of power will come from inside the elite itself.*

### C. METHODOLOGY

The system in the Middle East is a *status quo* system in which, negotiation resolves differences, not fighting, to ensure stability in the region. The current political situation in the Middle East has evolved into a consortium of states either formally allied with the United States, such as Israel and Turkey, or states with strong economic and military ties to the United States such as Jordan, Kuwait, Saudi Arabia, and Egypt. Syria has become a 'perimeter state,' neither inside the sphere of the United States nor a 'contained state' such as Iraq or Iran. In such a system, Syria would put its needs before those of any regional system. Syria does not face the loss of U.S. support; it can only be

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<sup>16</sup> Joseph Blahout, "The Syrian Business Community, Its Politics and Prospects" in Eberhard Kienle (ed.) *Contemporary Syria, Liberalization Between Cold War and Cold Peace.* (New York: British Academic Press, 1994), 80.

offered incentives to join the U.S. system. An analysis of Syria's internal dynamics is required to assess its foreign policy decisions.

Neo-realist theories of international relations contend that individual states, as actors, will balance the system in which it operates. Moreover, states' actions will rebalance the system if any disruptions occur. Another aspect of neo-realist theory is that, since states operate in a competitive system, they will often imitate their competitors.<sup>17</sup> However, neo-realist theory, while broadly applicable to international relations, overlooks the fine distinctions in the foreign policy decision-making processes of third-world regimes, including those of the Middle East.

Neo-realism accurately portrays the international arena as competitive; that is, individual states compete as simple units in the system. While no two states are identical, neo-realist theory treats these differences as "variations among like units."<sup>18</sup> These variations however, can be extremely important when discerning the relations among states. Neo-realist theory contends that states will attempt to align themselves to resist external threats. This was certainly true of European politics of the nineteenth and twentieth century, and of Cold War politics during the last fifty years.

As neo-realists would expect, regimes of the third-world face these same concerns and act in much the same way. However, there is oftentimes a difference in the nature of third-world regimes. This difference is also a fundamental element in their foreign policy making decisions. *Internal* as well as external forces can threaten the survival of a third-

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<sup>17</sup> Kenneth N. Waltz, *Theory of International Relation*. (New York: Random House, 1979), 128.

<sup>18</sup> Ibid., 98.

world regime. In such a situation, a third-world regime must align to protect itself from both threats or face its demise.<sup>19</sup> Neo-realist theory predicates the actions of the state on the belief that the government is the legitimate authority in the state.<sup>20</sup> This relationship is true in most nations, but many third world regimes lack political legitimacy. Because of weak political legitimacy, many third-world regimes must continually face threats from internal and external forces. More often than not, a regime change in the third world results in its leadership's death instead of its peaceful retirement.<sup>21</sup>

To stay in power, third world regimes are often oppressive and harsh. This is true in the case of Syria, a police state dominated by security services loyal to a regime that fears its demise will be due to internal factors as much if not more than by external powers. As such, this thesis uses a methodology drawn from Steven R. David's *Alignment and Choosing Sides, Realignment in the Third World*, to reveal how Syria's internal dynamics influence its foreign policy. The author's argument, called 'omnibalancing,' is based on a study of third world nations' political alignments with each other during the later stages of the Cold War.

*Omnibalancing* is chosen as the methodology because it bridges the gap between internal and external politics to explain foreign policy. This thesis applies David's argument for *omnibalancing* to third world regimes' leadership, since, to remain in

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<sup>19</sup> Steven R. David, *Choosing Sides, Alignment and Re-Alignment in the Third World*. (Baltimore: Johns Hopkins University Press, 1991), 7.

<sup>20</sup> Waltz, 105.

<sup>21</sup> David, 12-13.

power, the leadership must look at both external threats, and internal threats. David argues that, “the most powerful determinant of alignment is the desire of third world leaders to ensure their political and physical survival.”<sup>22</sup> This thesis applies the *omnibalancing* argument to Syria by focusing on the two key groups of the Syrian elite. The argument is conditioned in that the political legitimacy of the leadership is weak and the stakes, (such as regime survival) are high. *Omnibalancing focuses on the leadership of the state, and not the state itself as the unit of analysis.* This is critical to the argument because the interests of the two are not necessarily similar. David’s argument stresses that when given the choice between decisions that would harm the state, but retain a regime’s hold on power, or a decision that would benefit the state but endanger the regime’s hold on power, the leadership would choose its own interests over the ‘national interest.’<sup>23</sup>

David’s argument is partitioned into three dimensions: regimes that face internal threats, external threats, or a combination of both.<sup>24</sup> Given the current political situation in the Middle East with Syria on the perimeter of U.S. backed states but reservedly participating in the Middle East peace process; this thesis asserts that U.S. backed nations because they are susceptible to U.S. pressure, would refrain from open warfare against Syria. In turn, Syria, because it realizes the enormity of the military strength of its probable opponents (Israel and Turkey), would refrain from initiating direct hostilities.

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<sup>22</sup> Ibid., 10.

<sup>23</sup> Ibid., 16.

<sup>24</sup> Ibid., 7-8.

Thus, Syria, by its own restraint, obviates external threats, and therefore the regime would turn to balancing its internal dynamics.

Stability is measured by the extent to which the regime leadership is able to satisfy the interests of the ‘Alawi officers and Sunni businessmen. The military elite and urban Sunni business class are pillars of support, but they also are a threat as well, because losing support from one or both groups is as dangerous to the Syrian leadership as are external threats.

Maintaining a balance of internal factors drives Syria’s foreign policy. Hypothetically, if Syria were to go to war with any adversary, presumably the interests of the Sunni urban business elite would be subjugated to those of the military elite, thus upsetting the balance. Simultaneously, the choice of peace could upset the internal balance as well because it would favor the interests of the business class. Syria maintains its internal balance with a policy of ‘no war, no peace’ concerning Israel, which has been in effect since 1974. Pursuing a peace agreement with Israel could conceivably upset the internal balance, unless Syria pursued a policy that would satisfy its own military.

As long as the Asad family meets their interests, the military and business elites will support the Syrian regime. As much as the leadership of the regime needs these two elements to remain in power, the elite groups require the present structure of politics to flourish. Regardless of the leader, these two pillars of Syrian politics exist. Their interests are concomitantly the interests of the Syrian Arab Republic.

## II. THE 'ALAWI MILITARY ELITE

The Syrian military, conducting coups since its independence, has become a bastion of minority power. Beginning with the French Mandate's *Troupes Spéciales du Levant*, minorities utilized the military as a ladder to climb from their poverty. Through successive coups in the 1950's and 60's, each particular minority, Druze, Isama'ili and others had been reduced in strength leaving only the 'Alawi in control.<sup>25</sup>

Following the coup d'etat of Hafiz al-Asad in 1970, the new leader strategically placed loyal 'Alawi officers in the most sensitive positions, including Asad's brothers who were appointed to "eminent positions in the army."<sup>26</sup> The commanders of the most powerful army and Special Forces elements were not only loyal to Asad but hail from the same region and tribal background as the President.<sup>27</sup>

Hafiz al-Asad deemed that a strong authoritarian state was necessary in the never-ending struggle against Israel. According to Nikolaos Van Dam, Hafiz al-Asad sought to unify the Arab nations surrounding Israel as well as others to present "a unified military and political front against Israel."<sup>28</sup> Asad was able to do this only after instituting a

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<sup>25</sup> M.E. Yapp, *A History of the Near East Since the First World War*, 2<sup>nd</sup> edition, (London and New York: Longman, 1996), 254-255.

<sup>26</sup> Nikolaos Van Dam, *The Struggle for Power in Syria, Politics and Society under Asad and the Ba'th Party*, (London and New York: I.B. Tauris, 1996), 70-71.

<sup>27</sup> Volker Perthes, *The Political Economy of Syria under Asad*, (London and New York: I.B. Taurus, 1995), 182.

<sup>28</sup> Van Dam, 71.

regime described by Anwar Sadat as “firstly ‘Alawi, secondly Ba’thist, and thirdly Syrian.”<sup>29</sup> It is the ‘Alawi military elite that control the elements of state power.

#### A. ‘ALAWI MILITARY ELITE TIES TO THE REGIME

The ‘Alawi military elite is closely aligned to the regime leadership not only ethnically, but through tribal alliances, marriage, and personal ties. ‘Alawi military officers can be aligned with the leadership in all four respects, such as Ghazi Kan’an who oversees the Syrian military security forces in Lebanon. Ethnically, he is an ‘Alawi and hails from the same tribe as the Assad family, the al-Kalbiyah. Kan’an’s son is married to a daughter of Jamil al-Asad, brother to the late president. Kan’an has close personal ties to the Syrian presidency due to his position as the virtual military governor of Lebanon. In this position, Kan’an reported directly to President Hafiz al-Asad, rather than through the head of Syria’s *mukahbarat*, ‘Ali Duba. Duba was recently retired and this arrangement may have changed in light of his replacement, Major General Asif Shawkat, the brother-in-law of President Bashar al-Asad.<sup>30</sup>

While the military elite are mostly ‘Alawi, some prominent positions are held by Sunni Arabs as well. The placement of Sunni Arabs provides a face of diversity to the ‘Alawi military, these are ‘token’ Sunnis. Personal ties or family marriages integrate high-ranking Sunni’s to the regime. An example is Mustafa T’las, the Syrian Minister of

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<sup>29</sup> Ibid., 73.

<sup>30</sup> Unattributed, “Report Doubts Syria Capable of Peace” (text) Paris Al Arabi in Arabic (18 February 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Data Base – Near East 18 February 2000 (PrEx 7.10: FBIS – GMP2000217000160).

Defense, and long time friend to Hafiz al-Asad since their days in the military academy together. Another is the former Army Chief of Staff, Hikmat al-Shihabi, also a Sunni Arab and friend to the late president since the academy. Shihabi recently retired, being replaced by his long time deputy, 'Ali Aslan who is an 'Alawi and close associate of the Asad family. Vice-President 'Abd al-Halim-Khaddam, a Sunni Arab from Damascus, has played a skillful role in garnering Sunni support for the regime. Khaddam's oldest son Jamal is married to a niece of Muhammad Nasif. Nasif is an 'Alawi, leader of the Khayer-Bek tribe, and is the head of Syria's internal security apparatus.<sup>31</sup>

In the five years leading up to Hafiz al-Asad's death, officers closely connected to the new president have replaced many of the older generation military elite. Recent retirees such as 'Ali Duba, Hikmat al-Shihabi, and Ali Haydar, former Commander of the Syrian Special Forces, were powerful military commanders holding sensitive posts. That the new president had them removed displayed the fragility of the system, but that he was successful in doing so displays the strength of his position. In each case, the retirees were replaced by officers with deeper ties to the regime, either ethnically such as 'Ali Aslan an 'Alawi, or through marriage and family such as Asif Shawkat, an 'Alawi and the new president's brother-in-law.

While Sadat's description of the Syrian regime may be accurate, it is also accurate that the regime's 'Alawi elite do not exercise power on behalf of the 'Alawi

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<sup>31</sup> Alain Chouet, "Alawi Tribal Space Tested by Power: Disintegration by Politics" (text) Paris Monde Arabe: Maghreb-Machrek in French (Jan-Mar 95). Translation by the Foreign Broadcast Information Service. FBIS Online Data Base – Near East, South Asia 30 April 1997 (PrEx 7.10: FBIS – FTS19970430001572).

community.<sup>32</sup> Hafiz al-Asad inherited an underdeveloped authoritarian state that regularly experienced military coups. Under his leadership, he industrialized the Syrian economy and solidified the regime's control over the military. The state's GDP increased by more than 75 percent since Hafiz al-Asad took power, a growth of 81 million LS in the period from 1970 to 1992.<sup>33</sup> While the 'Alawi population of Syria certainly benefited from the Asad regime, government programs and policies were developed along social classes (peasant versus wealthy) rather than along confessional lines.<sup>34</sup>

Though the regime is dominated by the 'Alawi ethnic group, it is not monolithic but rather an example of a particular ethnic group able to utilize the institutions of the state and then shape them to maintain their pre-eminence. This status is preserved through the political machinery of the Ba'th party itself, which predates the rise of the 'Alawi. The regime has most recently allowed a broadening role for non-Ba'th parties to enter government under the umbrella of the National Progressive Front, though the Ba'th party maintains the majority in the People's Assembly.

Government policies, aimed at strengthening the economy of Syria, opened the economy to the private sector, especially during the mid 1980's. This came about due to the loss of external rents in the form of cash aid from Arab oil states and the withdrawal of the Soviet Union and its support. Consequently, the urban business class assumed a

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<sup>32</sup> David Waldner, *State Building and Late Development*. (Ithaca and London: Cornell University Press, 1999), 75.

<sup>33</sup> Perthes, The *Political Economy of Syria under Asad*, (table) 25.

<sup>34</sup> Waldner, 75.

greater role in the economy forging what has been termed the “military-merchant complex.”<sup>35</sup> (See Ch. III) It should be clear however, that this relationship enjoins the business class as a junior partner while the ‘Alawi military barons retain the elements of coercion in the state. Bashar al-Asad’s promotion to the presidency is evidence that the military elite directs political events. In the decisive moments following Hafiz al-Asad’s death, Mustafa T’las explained in a recent interview how he managed the transfer of power. In a meeting comprised of the Army Chief of Staff, ‘Ali Aslan, the Speaker of the Peoples Assembly, the Syrian vice-presidents, and leaders of the Ba’th Party Regional Command, T’las informed the individuals how the transfer of power would work. The Minister of Defense directed the Speaker of the Assembly to amend the constitution to change the age requirement of the president from forty to thirty-four years of age, and announce the promotion of Staff Colonel Bashar al-Asad to Lieutenant General and Commander in Chief of the armed forces.<sup>36</sup> The rapidity and efficiency with which these events occurred show how strongly the elite leadership is entrenched in the system. That no business leaders were included in the cabal highlights their secondary position in the authoritarian bargain.

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<sup>35</sup> Glenn E. Robinson “Elite Cohesion, Regime Succession and Political Instability in Syria” *Middle East Policy*. V: 4 (January 1998), quote attributed to Sadiq al-Azm.

<sup>36</sup> Amin Muhammad Amin, “Interview with Syrian Defense Minister Mustafa T’las” (text) Cairo Al-Ahram in Arabic (15 July 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Data Base – Near East 15 July 2000 (PreEx 7.10: FBIS –GMP20000725000205).

## **B. ‘ALAWI MILITARY ELITE INTERESTS**

Militaries are responsible for the physical protection of nations throughout the world to guard against external enemies. The military looks beyond its borders to identify their adversaries and determine what they require to defend against them. This is no less the case in the Middle East and Syria.

### **1. Military Role as Protector**

In 1982, Israel conducted Operation *Peace for Galilee* to destroy the Palestine Liberation Organization (PLO) in Lebanon. Due to Syria’s intervention in the Lebanese civil war in 1976, Syria maintained a large military presence in Lebanon. Inevitably, military engagements between Syria and Israel occurred.

Though the Syrian Air Force was handily defeated in Lebanon during Operation *Peace for Galilee*, they nonetheless continued fighting despite heavy losses. Patrick Seale quotes an Israeli pilot involved, that the Syrians “knew they had no chance against us, yet kept coming...they showed remarkable dedication and courage, I have nothing but respect for them.”<sup>37</sup> Syrian ground forces matched this tenacity as well. The military fought because of the tenuous position of the regime at the time. In Syria, security forces crushed the Muslim Brotherhood uprising at Hama in February of the same year. A Syrian defeat in Lebanon could have proved destabilizing to the regime and so it fought

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<sup>37</sup> Seale, as quoted in “*Asad, Struggle for the Middle East,*” (Berkeley: University of California Press, 1988), 381.

back tenaciously, and succeeded in abrogating the Israeli-Lebanon Accord of 1982.<sup>38</sup> Israel's withdrawal to southern Lebanon and its self declared "security zone" ended the saga.

Following the Syrian-Israeli clashes in Lebanon, the Soviet Union quickly replaced and increased the Syrian military inventory, nearly doubling its former stocks and included medium range surface-to-surface missiles.<sup>39</sup> The vast improvements in the Syrian military inventory gave pause to further Israeli attacks when they seemed imminent in 1983. Israel had been quickly tiring of the attrition warfare on the ground in Lebanon with the different Arab factions and did not want any further confrontation over the new Syrian missiles. Israel's Chief of Staff at the time, General Eitan stated, "We have no intention of going to war against Syria over the new missiles or for any other reason."<sup>40</sup> Indeed, since Operation *Peace for Galilee*, Syrian and Israeli military engagements have been limited to troop movements and saber rattling.

The Syrian military has been the recipient of the Middle East's largest arms transfers. Regardless of the political environment of the region, the Syrian regime has supported the armed forces with equipment both during periods of heightened tension, as well as during peace negotiations.

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<sup>38</sup> Moshe Ma'oz, "Syria and Israel, From War to Peacemaking," (Oxford: Clarendon Press, 1995), 177-179.

<sup>39</sup> Ibid., 398-399.

<sup>40</sup> Seale, as quoted in "Asad, Struggle for the Middle East," 400.

Following the Iraqi defeat by the U.S. led coalition in the Second Persian Gulf War; the Syrian regime purchased massive amounts of weaponry with the cash aid it received for its participation.<sup>41</sup> This came at the same period as Syria's acceptance and participation in the Madrid Peace Conference of 1991.<sup>42</sup> Through the 1990's, Syria's military spending equated to 8 percent of its Gross Domestic Product (GDP) at over \$800 million. These are the official numbers; the actual numbers are most likely significantly higher. This level of spending is commensurate with other nations military spending in the region such as Israel at 9.5 percent of its GDP, Jordan at 7.8 percent and Egypt at 8.2 percent.<sup>43</sup> Military spending of this sort could simply be the regime hedging its bets on the outcome of the peace talks, but Samuel P. Huntington gives a better reason:

The concern of military men with the dangers to national security leads them to urge the enlarging and strengthening of the military forces available to protect the security of the state. The most common manifestation of this is the demand for a larger share of the defense budget.<sup>44</sup>

The military is the strongest element of power in the Syrian regime and as such represents a powerful interest group. To confront its perceived enemy, Israel, the military pushed for expansive military budgets.<sup>45</sup>

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<sup>41</sup> See Chapter IV, page 67 on the Syrian military buildup and weapon acquisitions following the Second Gulf War.

<sup>42</sup> Anovshiravan Ehteshami and Raymond A. Hinnebusch. *Syria and Iran, Middle Powers in a Penetrated Regional System*, (New York: Routledge, 1997), 84.

<sup>43</sup> CIA World Factbook, Available [Online] <http://www.odci.gov/cia/publications/factbook/geos/sy.html#Military>, Accessed 18 September 2000.

<sup>44</sup> Samuel P. Huntington, *The Soldier and the State, the Theory and Politics of Civil-Military Relations*. (Cambridge, Massachusetts: Harvard University Press, 1957), 67.

## **2. Perception of Rising Threats**

Given the military's role as the protector of the nation, it seeks an external enemy against whom it should defend. Historically in Syria, the role of the state's enemy has been Israel. This thesis will not dwell on the history of conflict between Syria and Israel. Many sources have already covered the conflict in detail.

Since the signing of a joint defensive pact between Israel and Turkey in 1996, a new regional system of alliances is developing. A triangle of U.S. backed or allied states consisting of Israel, Turkey and Jordan have increased their level of cooperation and military participation in recent years. In May of 2000, the Israeli Defense Forces sent military officers to observe joint Turkish and Jordanian military maneuvers in the Jordanian desert. Though Israel does not maintain a military attaché in Amman, the level of military cooperation is "serious" by IDF sources.<sup>46</sup> While the elements of conflict with Israel are well known, Syria also has three serious concerns with Turkey regarding territory, terrorism, and water rights.

To prevent Turkey from siding with Germany before World War II, the 1939 Franco-Turkish treaty ceded the province of Alexandretta, part of Mandate Syria, to Turkey as a conciliatory gesture.<sup>47</sup> Electoral roles of the time showed the area to have an

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<sup>45</sup> Raymond A. Hinnebusch, *Authoritarian Power and State Formation in Ba'thist Syria: Army, Party, and Peasant*. (Boulder, San Francisco, Oxford: Westview Press, 1990), 162.

<sup>46</sup> Arieh O'Sullivan, "IDF To Observe Turkey-Jordan Exercise," (text) Jerusalem, Jerusalem Post in English (24 April 2000) Transcribed by the Foreign Broadcast Information Service. FBIS Online Database – Near East, South Asia, West Europe, 24 April 2000 (PreEx 7.10: FBIS - GMP20000424000047).

<sup>47</sup> Yapp, 96.

Arab majority, until the signing of the treaty and seizure of the province by Turkish troops, whereupon Turks became the majority.<sup>48</sup> Syria has always considered Alexandretta, called Hatay by Turkey, to be an integral part of Syria.<sup>49</sup> This is still a relevant issue today. A leading Turkish daily, *Istanbul Sabah*, aired its concerns over the recent Syrian-Israeli peace negotiations in an article. The author equated the Golan Heights with Hatay fearing that if Syria were to conclude a peace with Jerusalem, it would turn around and demand Hatay from Ankara, possibly dragging it to international courts to regain it.<sup>50</sup>

The second issue concerns the presence of the Kurdish populations that reside in Syria and Turkey. The former leader of the Kurdish Workers Party (PKK), Abdallah Ocalan, operated from Syria against Turkish authorities before his apprehension in 1998. From his Syrian refuge, Ocalan coordinated PKK terrorist attacks throughout the 1980's and 1990's. The Kurdish separatist movement in southeastern Turkey, 5,000 to 10,000 armed guerillas, necessitated large-scale Turkish military excursions to suppress it.<sup>51</sup> Most recently, the *Istanbul Cumhuriyet* reported on talks between the new Chairman of

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<sup>48</sup> Seale, 27-28.

<sup>49</sup> Derek Hopwood, *Syria, 1945-1986, Politics and Society*. (London: Unwin Hyman, 1988), 27.

<sup>50</sup> Sedat Sertoglu, "Israel-Syria" (text) Ankara *Istanbul Sabah (Ankara edition)* in Turkish (22 December 1999). Translation by the Foreign Broadcast Information Service. . FBIS Online Data Base – West Europe, Near East, South Asia 22 December 1999 (PrEx 7.10: FBIS – FTS19991227001216).

<sup>51</sup> Yapp, 482-483.

the PKK, Cemil Bayik, and high-ranking Syrian officials. The PKK has requested more support from Syria and that Syria re-open a PKK training camp near Damascus.<sup>52</sup>

The third area of contention between Syria and Turkey is the issue of water, its rights, and uses. The Euphrates River, which runs through Syria on its way to the Persian Gulf, begins in Turkey, and provides 80 percent of Syria's water resources.<sup>53</sup> Syria has accused Turkey of halting or diverting the flow of water as part of its Greater Anatolia Water Project of dam building in southeastern Turkey. The construction of dams along the Euphrates enables Turkey to determine the amount of water its downstream users will receive.

These strains have kept Syrian-Turkish relations cool. In October of 1998, tensions were high enough between the states that Hosni Mubarak flew to Damascus on short notice to appeal to the Syrian regime to calm itself. Turkish officials stated that differences with Syria "had reached the stage of undeclared war."<sup>54</sup>

The military pact between Turkey and Israel exacerbate these issues. Turkey has much to lose by a peace between Syria and Israel. Following such an agreement, Turkey would lose its standing as a strategic ally of Israel unable to "open a second front against

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<sup>52</sup> Alper Balli, "Cemil Bayik Causes Tension Between Ankara and Damascus" (text) Ankara Istanbul Cumhuriyet (Ankara edition) in Turkish (1 July 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Data Base – West Europe, Near East, South Asia 1 July 2000 (PrEx 7.10: FBIS – GMP20000701000068).

<sup>53</sup> Hopwood, 3.

<sup>54</sup> Stephen Kinzer, "Turkey's Ties to Syria Sink to War in All but Name" in *The New York Times*, (4 October 1998, Sunday, Late Edition, Section 1, p. 17, column 1) LEXIS/NEXIS search 22 May 2000 Lib: News.

Syria's northern sector.<sup>55</sup> Turkey fears that a Syrian-Israeli peace would result in Syria's removal from the list of countries supporting terrorism, which would hurt Turkey's fight against the PKK. Additionally, with U.S. backing, Syria could apply pressure on Turkey concerning Euphrates water rights.<sup>56</sup>

The history of Syrian-Jordanian relations has been spotty since Hafiz al-Asad's assumption of power. The most recent example was Jordan's neutrality in the U.S. led coalition against Iraq, which Syria supported, and then Jordan's defection from the unified Arab negotiating position at the 1991 Madrid Peace Conference.<sup>57</sup>

The Jordanian tact of negotiating a separate peace with Israel following the Madrid Conference of 1991, (as well as the Palestinians) undercut the Syrian pledge of not abandoning any Arab states to bilateral negotiations. President Hafiz al-Asad had stated that Syria would treat issues vital to the other states as if they were vital to Syria.<sup>58</sup> The desertion of Jordan and subsequent reconciliatory gestures to Israel heightened Syria's isolation. Jordan's current relationship with Israel is a legacy of the late King Hussein's policies. Only after King Abdullah II is firmly established will he shape his

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<sup>55</sup> Celik, Hakan, "Peace in Middle East Risky for Turkey," (text) Ankara Istanbul Posta (Ankara edition) in Turkish (11 January 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Data Base – West Europe, Near East, South Asia 11 January 2000 (PrEx 7.10: FBIS – FTS20000112000915).

<sup>56</sup> Ibid.

<sup>57</sup> Ian J. Bickerton and Carla Klausner, A *Concise History of the Arab-Israeli Conflict* 3<sup>rd</sup> ed., (Upper Saddle River, New Jersey: Prentice Hall, 1995), 285-286.

<sup>58</sup> Fred Lawson, "Domestic Pressures and the Peace Process, Fillip or Hindrance?" in Eberhard Kienle (ed.), *Contemporary Syria, Liberalization Between Cold War and Cold Peace*, (New York: British Academic Press, 1994), 143.

own foreign policy. One must keep in mind that with the Jordanian population, rumored to be as high as 70 percent Palestinian; King Abdullah must establish his own Arab credentials to his constituency. Recent interviews with King Abdullah II indicate that he is taking a more nonpartisan approach to Middle East politics by playing the role of mediator to requesting parties.<sup>59</sup>

While the potential for conflict between Syria and its neighbors is admittedly low, the military elite will not want to seem weak to the nation relative to its neighbors. The military simply wants to be strong enough to deter pressure that the surrounding states could exert. Hafiz al-Asad built a regionally strong military during his thirty-year tenure. The military, as protectors of the national sovereignty, will not want to see any reduction in readiness.

### C. ROLE OF LEBANON

In the broadest of terms, Lebanon is one of, if not the key interest for the Syrian ‘Alawi military elite. Lebanon provides the leadership with a source of patronage with which to reward its military pillar of support.

The breakdown of Lebanon’s fragile confessional system began in 1975 with Muslim resentment of the Christian minority’s dominance of government. An important aspect of the civil war was the presence of over 350,000 Palestinian refugees and

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<sup>59</sup> Abd al-Bari Atwan, “Report on an Interview with King Abdallah II of Jordan,” (text) London Al Quds al Arabi in Arabic (19 July 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Data Base- Near East. 19 July 2000 (PrEx 7.10: FBIS GMP20000719000022).

displaced persons.<sup>60</sup> Syria intervened militarily to prevent Israel from doing so. This intervention came on the heels of the Sinai II agreement, which removed Egypt from the Arab struggle with Israel.<sup>61</sup> The Syrian intervention exemplified realpolitik. Gaining the upper hand in Lebanon before Israel, controlling the various factions, and ending the fighting would negate any Israeli temptation to do likewise. Hafiz al-Asad was fearful of an Israeli attempt to use the destabilization in Lebanon as an excuse to partition it in Israel's quest for greater Israel.<sup>62</sup> Ironically, Syria's intervention into Lebanon was to support Christian forces desperately outgunned by the Palestinians and other Lebanese factions. The result was Syria gaining its foothold in Lebanon, becoming a major power broker in the region, and protecting the approaches to Damascus from Beirut.<sup>63</sup>

The Ta'if Accord of October 1989 solidified Syria's dominance of Lebanon. Following the expiration of Amin Jumayil's term as Lebanon's president, and without an elected successor, Jumayil appointed General Michel 'Awn as the Prime Minister of an interim government. 'Awn's appointment as Prime Minister resulted in two governments existing in Lebanon at the same time with Salim al-Huss as the existing Prime Minister from the Jumayil government. 'Awn was anti-Syrian and marshaled his forces to oust the Syrians and pro-Syrian forces. The resulting clashes caused the Arab League to take the

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<sup>60</sup> United Nations High Commissioner for Refugees, "Middle East – Lebanon", Available [Online]: <http://www.unhcr.ch/world/mide/lcbanon.htm> accessed 18 September 2000.

<sup>61</sup> Seale, 271-273.

<sup>62</sup> Ibid., 275.

<sup>63</sup> Malik Mufti, "*Sovereign Creations, Pan-Arabism and Political Order in Syria and Iraq.*" (Ithaca and London: Cornell University Press, 1996), 240.

matter into a committee composed of Saudi Arabia, Algeria, and Morocco, with Syrian and Lebanese participation. The resulting agreement known as Ta'if or the Charter of National Reconciliation affirmed Lebanese sovereignty, but also provided for a special relationship with Syria in foreign policy, security, economic affairs, and other agenda. 'Awn and other militia groups that opposed the Syrian presence rejected the agreement.<sup>64</sup>

### **1. 'Alawi Military Interests in Lebanon**

The Syrian regime has paid significantly in blood and treasure for its stake in Lebanon. The initial intervention in 1976 was widely unpopular in Syria, but the regime saw it as necessary to provide stability and prevent Israeli intervention.<sup>65</sup> Though Israel invaded nonetheless, the Syrian regime fought back and retained its position in Lebanon.

The popular discontent that initially occurred is no longer evident in Syria, even with the presence of nearly 30,000 troops stationed in Lebanon. Indeed, in the military itself, officers compete for service in the Biqa Valley. The cause behind this appreciation in the military for Lebanon is the drug and smuggling trade.

Before the Lebanese Civil War, the Biqa Valley was an agriculturally diverse region, responsible for much of pre-war Lebanon's prosperity. The Biqa Valley in Lebanon contains 40 percent of Lebanon's cultivable land and is its most agriculturally productive region. Wheat production in the Biqa Valley in 1974 produced 74,000 tons.

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<sup>64</sup> Fidah Nisrallah, "Syria after Ta'if: Lebanon and the Lebanese in Syria" in Eberhard Kienle (ed.), *Contemporary Syria, Liberalization Between Cold War and Cold Peace*. (New York: British Academic Press, 1994), 132-134.

<sup>65</sup> Volker Perthes, "*The Political Economy of Syria under Asad*," 176.

As civil society broke down during the war, a significant portion of arable land was cultivated for illicit drugs as a profitable cash crop. In 1987, wheat production had fallen to 9,000 tons. Hashish cultivation in 1975, which had equated to nearly 30,000 tons, rose to 100,000 tons in the early 1980's. By 1987, opium had begun to replace hashish as a more profitable crop.<sup>66</sup> An estimate by Fred Lawson of the profits and kickbacks for the Syrian military and security forces in control of the narcotics trade, has been valued at nearly \$2 billion a year.<sup>67</sup> The Lebanese banking system launders and distributes the profits from the drug traffic. Powerful Syrians connected to the drug trade include Mustafa T'las, the Defense Minister of Syria, and Rifat al-Asad, brother of the late Syrian President.<sup>68</sup> By 1984, the money derived from control of the drug trade was so extravagant that the regime set limits on the military contraband trade.<sup>69</sup>

Under pressure from the United States in the early 1990's to put an end to the drug trade, "the Syrian and Lebanese governments decided...to change the character of the drug trade in Lebanon." Simply put, the authorities ended cultivation and increased production. The inflow of raw opium and cocaine to Lebanon offset the drastic reduction in the cultivation of opium and cannabis. By 1994, no processing facilities had been

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<sup>66</sup> John Roberts, "The Economy" in *Lebanon: A Country Study*, 3<sup>rd</sup> ed. Edited by Thomas Collelo, (U.S. Government Printing Office, 1989), 120-122.

<sup>67</sup> Fred Lawson, *Why Syria Goes to War; Thirty Years of Confrontation*, (Ithaca and London: Cornell University Press, 1996), 145-146.

<sup>68</sup> Reuven Erlich, *Terror and Crime in Lebanon*: Available [Online]: [www.ict.org.il/articles/crime2.htm](http://www.ict.org.il/articles/crime2.htm)

<sup>69</sup> Volker Perthes, "The Political Economy of Syria under Asad," 186.

dismantled, rather they had increased significantly.<sup>70</sup> By 1995, Lebanon became the Middle East processing center for South American cocaine and Southwest Asian heroin, with the final product shipped to Europe.<sup>71</sup>

The latest U.S. Department of Justice report, named Syria as a known transit point for opium and morphine base en route to the Biqa Valley. Ironically, the U.S. Department of Justice believes that Russian immigrants to Israel fostered the growth of the trade in Lebanon, specifically because of the Lebanese banking secrecy laws, which are similar to those of Switzerland and the Cayman Islands. In the same report of 1998, the U.S. Department of Justice alleged that Syrian authorities and military personnel tolerated and facilitated the drug trade.<sup>72</sup>

Given the large amount of Syrian forces in Lebanon, the incentives provided by their presence, and the involvement of leaders closely associated with the regime, it is doubtful that the Syrian regime will retain its dominance over Lebanon and thwart efforts to change that situation. In an interview with the Amman, Jordan newspaper, *Al-Arab Al Yawm*, Abd al-Qadir Qaddurah, speaker of the Syrian Peoples Assembly, spoke on the recent Israeli withdrawal from southern Lebanon. Asked if Syrian forces were also

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<sup>70</sup> U.S. Department of State, "International Narcotics Control Strategy Report, March 1996." Available [Online]: [http://www.state.gov/www/global/narcotics\\_law/1996\\_narc\\_report/afrmc96.html](http://www.state.gov/www/global/narcotics_law/1996_narc_report/afrmc96.html)

<sup>71</sup> Senator Charles Grassley, Chairman, Senate Caucus on International Narcotics Control, "Grassley, Watts Call on President to Reconsider Certification of Syria and Lebanon: Available [Online]: <http://www.senate.gov/~grassley/releases/1997/pr11-14.htm>

<sup>72</sup> National Narcotics Intelligence Consumers Committee, "The Supply of Illicit Drugs to the United States," November, 1998, Available [Online]: [www.usdoj.gov/dca/pubs/intel/nnicc98.pdf](http://www.usdoj.gov/dca/pubs/intel/nnicc98.pdf)

planning to withdraw, Qaddurah replied, “this is an Arab army that is deployed on an Arab land with the approval of its government and its people.”<sup>73</sup>

Lebanon represents the ultimate in payoff for the military. As a key source of patronage for the military elite, Damascus looks the other way while officers enrich themselves and in return, maintain their loyalty to the regime.<sup>74</sup>

#### **D. MILITARY ELITE INTERESTS IN A PEACE AGREEMENT**

The ‘Alawi elite hold the means of coercion in Syria; they are the senior partners in Syria’s praetorian corporate state. In the thirty years of Assad family rule, the military has overseen the most political stability that Syria has ever known. At the same time, the leadership has profited from their positions especially with respect to Lebanon.

The weave of interpersonal relationships of the military elite and the Assad family is very strong, consisting of ethnic, tribal, and personal ties. This group would wish to see their position or that of the Assad family unaltered; they would want to maintain the *status quo*.

The military *status quo* would necessitate that Syria retains its position in Lebanon. It is a source of valuable patronage from the leadership to the military. Any attempt to separate the Lebanese and Syrian tracks of a peace agreement could destabilize Lebanon and cause Syria to withdraw from any negotiations. Were the Assad family to

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<sup>73</sup> As’ad Al-Azzuni, “Interview with Abd-al-Qadir Qaddurah, Speaker of the Syrian People’s Assembly,” (text) Amman Al-Arab al-Yawm in Arabic (9 May 2000) Translation by the Foreign Broadcast Information Service. [FBIS Online Data Base – Near East South Asia](#) 9 May 2000 (PrEx 7.10: FBIS – GMP20000509000111).

<sup>74</sup> Robinson, 172.

deny Lebanon to its military pillar of support, it is doubtful that the family leadership would survive intact.

A peace agreement with Israel should also not degrade the military in terms of size, equipment, or deployment. As witnessed by the Israeli-Jordanian Peace Agreement of 1994, Jordan received 16 F-16 fighter jets as its reward at an estimated cost of \$200 million.<sup>75</sup> It seems unlikely that the Syrian government would request such aid from the United States as part of a peace agreement, especially considering Syrian Foreign Minister Farouk al-Shara's claim that Syria has not requested any aid.<sup>76</sup>

Despite the claims of the Syrian Foreign Minister, the Tel Aviv daily *Ha'aretz* reported that Israel would push for aid to Syria in the event of a peace agreement to preclude any economic instability on Israel's northern border.<sup>77</sup> U.S. law title 22 Section 3405 provides for the establishment of a fund to underwrite the costs of the Middle East peace process. The law also encourages foreign investment in those countries that participate in the process.<sup>78</sup> To this end, the European Union has substantially increased

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<sup>75</sup> James Bruce, "Jordan to Get F-16s and Tanks in \$300m Package" *Janes Defense Weekly*, 17 January 1996, Volume/Issue 025/003. Available [Online]: [www.janesonline.com](http://www.janesonline.com)

<sup>76</sup> Unattributed, "An Account of the Syrian-Israeli Negotiations According to an Interview with Syrian Foreign Minister and Syrian Leaks Part II: The American Role in the Negotiations." Middle East Media and Research Institute (MEMRI) Special Dispatch No. 69. 27 January 2000. Available [Online]: <http://www.memri.org/sd/SP6900.html> accessed 1 February 2000.

<sup>77</sup> Ben Aluf, "Israel to Push for U.S. Aid to Syria After Peace Agreement." (text) Tel Aviv *Ha'aretz* in English (26 March 2000). Transcribed by the Foreign Broadcast Information Service. FBIS Online Data Base – Near East 26 March 2000 (PrEx 7.10: FBIS – GMP 20000326000101).

<sup>78</sup> 22 USC Sec. 3405, TITLE 22 - FOREIGN RELATIONS AND INTERCOURSE CHAPTER 49 - SUPPORT OF PEACE TREATY BETWEEN EGYPT AND ISRAEL SUBCHAPTER I - POLITICAL, ECONOMIC, AND TECHNOLOGICAL SUPPORT Sec. 3405. Contributions by other

its level of participation in the region. Britain has supported the Palestinian Authority through training branches of its government, and with the European Union, has provided nearly \$2 billion in aid. British influence, coupled with the British authorship of U.N. Resolution 242 should make the E.U. a suitable choice as the supplier of aid to Syria.<sup>79</sup>

The Syrian military will expect their fair share in any agreement. As was the case with all other signatories to accords with Israel, incoming aid will procure new military equipment. Syria would most likely balk at any agreement that placed limits or conditions on military purchases. If the senior partner does not get anything, nobody does.

### **1. Israeli Security Demands**

The basic issue of an Israeli-Syrian peace agreement is the return of the Golan Heights to Syria that Israel captured in the 1967 Six Day War. Negotiations in the past have broken down because of Syria's unwillingness to compromise its demands to return to the borders of 4 June 1967. Additionally, Israel has made 'security demands' such as retention of the Mt. Hermon listening post, and troop deployments part of any agreement with Syria to return the Golan.

Ghassan Bishara quotes a recently published interview from 1976 with the former Israeli Minister of Defense, Moshe Dayan, that security issues had nothing to do with

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countries to support peace in the Middle East. Available [Online]: <http://law2.house.gov/usc.htm> accessed 24 July 2000.

<sup>79</sup> Robin Cook, "Speech by British Foreign Secretary Robin Cook at Reception Marking the 50<sup>th</sup> Anniversary of the Anglo-Arab Association." (text) FCO On-Line (5 March 1998) Transcribed by the

Israel's capture of the Golan Heights in 1967. It was a simple matter of land greed.<sup>80</sup> Given the wide dissemination of this interview in Syria and the Middle East, it seems unlikely that Syria would allow the retention of the Mt. Hermon post or dictation of its troop placements as part of any deal. If security had nothing to do with the Golan's appropriation, then it should have nothing to do with its return.

This and other demands that have the appearance of a concession would weaken the strength of President Bashar al-Asad. Any inside contender for power would be able to point to a concession as a sign of weakness and incompetence of the presidency. In his first address to the Syrian People's Assembly as President of the Republic, Bashar al-Asad underscored this point by taking a very hard stand:

They [Israel] tell us: Take 95 percent of the land. When we ask about the remaining 5 percent, they say: it is not a big deal. Few meters should not be an obstacle to peace, then why don't they return the 4 June line and give us the 5 percent of the western side of Lake Tiberias?<sup>81</sup>

Due to the relative vulnerability of the new President, he must take the same position as that of his father or he will invite his removal by a potential contender.

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Foreign Broadcast Information Service. FBIS Online Data Base – West Europe 5 March 1998 (PrEx 7.10: FBIS- FTS19980305001344).

<sup>80</sup> Ghassan Bishara, "Israeli-Syrian Talks: Back in a Deep Freeze." Middle East Research Information Project (MERIP) Press Information Note (PIN) # 14. 1 February 2000. Available [Online]: <http://www.merip.org/pins/pin14.html> accessed 10 February 2000.

<sup>81</sup> Bashar al-Asad, "Speech by Syrian President Bashar al-Asad at the People's Assembly in Damascus after taking the constitutional oath as President of the Republic on 17 July." (text) Damascus Syrian Arab Television in Arabic (17 July 2000) Translated by the Foreign Broadcast Information Service. FBIS Online Data Base – Near East. 17 July 2000 (PrEx. 7.10: FBIS –GMP20000717000111).

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### **III. SUNNI URBAN BUSINESS CLASS**

A series of events that drained Syria of its financial resources resulted in the Sunni urban business class's incorporation into the authoritarian bargain of Syria. The loss of external cash aid from the Arab oil states, and the subsequent withdrawal and collapse of Syria's super-power patron, the Soviet Union, strengthened the elite ties between the 'Alawi military and Sunni urban business class.

As the relationship between the 'Alawi military elite and urban business class developed, Syrian foreign policy towards Israel moved from belligerence to reconciliation. The simultaneous rise of the business class and the moderation of foreign policy suggest the two are strongly correlated. This turn of events is not an argument that peace is good for business. Rather, it is an argument that good business is required to protect the Syrian regime in the peace.

#### **A. PARTNERSHIP WITH THE 'ALAWI MILITARY ELITE**

Sectarian violence begun by the Muslim Brotherhood in 1976 eventually grew to near civil war proportions by 1980. The Brotherhood rebelled against the secular nature of the regime that was led by *kuffar*, rejecters of the faith, namely the 'Alawi. Following a string of assassinations and bombings against 'Alawi military personnel and Ba'th officials, the insurrection reached its peak in 1982 when the Muslim Brotherhood took control of the city of Hama. The Syrian security forces battled with the Sunni fundamentalists for nearly three weeks in February leveling the city but also effectively putting an end to the opposition.

It was during this struggle however, that a new relationship was born. The Sunni business class of Damascus stood by the ‘Alawi regime and did not support the Muslim Brotherhood led uprising.<sup>82</sup> The Sunni businessmen who supported the uprising were generally small-scale manufacturers and traders, while the urban business class represented entrepreneurs with more capital and more ambitious desires.<sup>83</sup> These businessmen were represented by Badr ad-Din Shallah, who would later lead the Damascus Chamber of Commerce and become one of the most influential businessmen in Syria.<sup>84</sup> The Syrian regime showed its approval by lifting restrictions on private sector limitations in agriculture and joint public and private companies.<sup>85</sup>

Coincidentally, the emergence of the Sunni business class partnership with the ‘Alawi led regime occurred in the same year as did the last heavy military engagements between Israel and Syria. While more limited in scope compared to the earlier Arab-Israeli wars, the Syrian and Israeli conflict in Lebanon, begun in June of 1982, included large-scale air and land battles.

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<sup>82</sup> Glenn E. Robinson “Elite Cohesion, Regime Succession and Political Instability in Syria” *Middle East Policy*. V: 4 (January 1998), 161.

<sup>83</sup> Fred H. Lawson, “Private Capital and the State in Contemporary Syria,” *The Middle East Report*, No. 203 Vol. 27 No. 2, (Spring 1997), 11.

<sup>84</sup> Raymond A. Hinnebusch, “Asad’s Syria and the New World Order: The Struggle for Regime Survival” in *Middle East Policy*, vol. II, No. 1, 1993, 6.

<sup>85</sup> Volker Perthes, “Economic and Political Liberalization” in Eberhard Kienle (ed.) *Contemporary Syria, Liberalization Between Cold War and Cold Peace* (New York: British Academic Press, 1994), 55.

Syria remained firm for two reasons. First, the regime was fighting for survival in Lebanon. If the Israeli Defense Forces drove Syrian forces from Lebanon, the Asad regime would have been significantly shaken due to its recent internal challenge.

Secondly, Syria viewed Lebanon as an attractive source of capital since the beginning of its intervention. Since the mid 1970's, private firms in Syria drew heavily on the Syrian state run commercial bank, and Beirut's large financial institutions had provided a significant alternative for Syrian developers.<sup>86</sup> Chaos in Lebanon, either from civil war or an Israeli invasion was bad for Syrian business. By protecting and fighting for these financial assets, the regime exhibited real commitment to its private business interests. So long as Israel threatened these resources, Syria would be expected to defend them.

## **B. POLITICAL ECONOMY UNDER THE ASAD FAMILY**

Following the Ba'thist takeover in 1963, Syria nationalized nearly its entire economy to make it accord with its socialist ideology. This trend slowed following the takeover by Hafiz al-Asad in 1970, because he changed the Syrian economy by transitioning it from a purely socialist one to a form of state run capitalism. From the beginning of his tenure in office, Hafiz al-Asad sought to re-integrate the entrepreneurial businessmen of the Syrian merchant class. The earlier Ba'th government's moves toward

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<sup>86</sup> Fred Lawson, *Why Syria Goes to War, Thirty Years of Confrontation*, (Ithaca and London: Cornell University Press, 1996), 94-95.

complete socialization of the Syrian economy had disaffected this stratum of Syrian society.

With the influx of Arab aid following the 1973 October War, the government embarked on a wide range of development while assigning a limited role to the private sector in less capital intensive ventures such as light construction, trade, and services.<sup>87</sup> Over time, this alliance between the regime and the merchant class grew as the Syrian economy offered some limited opportunity to the private sector. The reform programs called for state-led growth that allowed for some private sector involvement, which was consistent with the government's officially stated policy to broaden the social basis of the regime. During what Volker Perthes calls Syria's first *infitah* or economic liberalization, the economic incentives being offered to the public sector came from increased domestic oil revenues and Arab aid from the Persian Gulf. Because of these reforms, the urban-merchant classes living standards improved significantly.

### **1. Soviet Union Military and Economic Aid**

The Soviet Union played an important role in the economic development and sustainment of Syria under the al-Asad regime. The most significant impact the Soviet Union had on the Syrian economy was relieving it of the financial burden of building its military.

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<sup>87</sup> Volker Perthes, "Economic and Political Liberalization" in Eberhard Kienle (ed.), *Contemporary Syria, Liberalization Between Cold War and Cold Peace* (New York: British Academic Press, 1994), 46-47.

Between 1974 and 1983, Soviet military deliveries to Syria amounted to nearly \$3.2 billion (in 1984 dollars).<sup>88</sup> These deliveries were on a “concessionary-loan basis...In general, therefore these imports did not burden Syria’s foreign exchange balance or budgets.”<sup>89</sup> By 1985, the Soviet Union began to charge Syria for its military imports, by subtracting the trade balance of Syrian imports to the Soviet Union. In effect, with the Soviet Union’s ultimate collapse and Syria’s unwillingness to re-pay Russia what it owed, Syria’s military buildup, and development was essentially free.<sup>90</sup>

Beginning in 1985, Soviet military aid shipments dropped from \$2.4 billion per year to \$1.3 billion.<sup>91</sup> By 1987, Soviet military equipment could only be purchased at cost, resulting in a drastic reduction in weapon deliveries. Syria’s debt to Russia soared to \$10- \$12 billion and Syria is now delaying payment of its debt by hesitating to recognize Russia as the legal successor to the former Soviet Union.<sup>92</sup>

Soviet aid to Syria, while mainly in the form of military equipment, also included economic aid. Though less economic aid flowed to Syria than other Soviet allies in the

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<sup>88</sup> Gur Ofer and Joseph Pelzman. “Soviet Economic Interests in the Middle East” in Steven Speigel, Mark Heller, Jacob Goldberg (ed.), *The Soviet-American Competition in the Middle East* (Lexington MA: D.C. Heath and Company, 1988), 227.

<sup>89</sup> Volker Perthes. *The Political Economy of Syria under Asad* (London and New York: I.B. Taurus, 1995), 32.

<sup>90</sup> Ibid., 31-33.

<sup>91</sup> Moshe Ma’oz, *Syria and Israel: From War to Peacemaking*, (Oxford: Clarendon Press, 1995), 205.

<sup>92</sup> Eberhard Kienle, “The Return of Politics? Scenarios for Syria’s Second Infatih” in *Contemporary Syria Liberalization Between Cold War and Cold Peace* (New York: British Academic Press, 1994), 124.

region, Syria was able to rely on a steady flow of \$35 million in economic aid until 1985.<sup>93</sup> The Syrian market also profited from its relationship with the Soviet Union. Through state controls, goods, were exported to the Soviet Union and Eastern European markets. This trade was estimated to average \$200 to \$300 million a year. Syrian state run companies provided moderate quality goods at premium prices, which generated higher profits than could be expected on the open market. By the end of the 1980's however, trade between Syria and the formerly communist world ceased.<sup>94</sup>

## **2. Oil Money**

Beginning with the October war of 1973, Syria began to receive large cash payments from the Arab oil states cloaked as support for the war with Israel. In the five years following the 1973 war, Syria received \$600 million per year in official Arab aid. With the conclusion of the Egyptian-Israeli Camp David accords, the oil states pledged \$1.8 billion annually to Syria for ten years for maintaining its state of war with Israel. As the world market's oil prices began to fall and for political reasons as well, this aid began to dwindle by the mid 1980's.

Decreasing aid to Syria from Persian Gulf countries in the mid-1980's was also politically motivated because Syria supported non-Arab Iran in its war with Iraq. Arab aid was somewhat replaced by Iran, which offered free petroleum shipments valued

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<sup>93</sup> Ofer and Pelzman, 228.

<sup>94</sup> Fred H. Lawson, "Domestic Pressure and the Peace Process" in Eberhard Kienle (ed.), *Contemporary Syria, Liberalization Between Cold War and Cold Peace* (New York: British Academic Press, 1994), 149-150.

between \$300 and \$800 million annually between 1982-1986. This aid began to decrease to as little as \$50 million, and by 1990 the aid ceased.<sup>95</sup>

Syria benefited in other ways from the oil boom of the 1970's and early 1980's. Besides the direct cash grants provided by Arab oil states, remittances from nearly 500,000 Syrians working throughout the Middle East provided the economy with a cash infusion. Cash flows estimated as high as \$900 million in 1979 to a low of \$327 million in 1985 streamed into the Syrian economy.<sup>96</sup>

### **3. Economic Crisis**

By 1985, financial support to Syria from both the Soviet Union and the oil states had begun to erode, but the signs of economic trouble were recognized four years earlier. Beginning in 1981, Hafiz al-Asad launched economic austerity programs to promote economic self-reliance and to ease the financial burden on the state run economy. The aims of these measures were to reduce state expenditures and services because, as Syria's leadership explained, the population had been consuming more than it was producing. By 1985, the government stopped hiring new employees and by 1988 began to reduce government subsidies for agriculture, industry, as well as consumers.<sup>97</sup>

The Syrian economy's biggest problem was in foreign exchange and by 1986, this problem took the highest priority. The Syrian economy was designed to produce import

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<sup>95</sup> Volker Perthes, *The Political Economy of Syria under Asad*, (London and New York: I.B. Taurus, 1995), 34.

<sup>96</sup> Ibid., 33.

<sup>97</sup> Ibid., 46-47.

substitutions, but now, Syria needed to reverse course and export its products. The export of oil and other raw materials became a top priority because of their value on the world market. Syria was to export finished products any cost. In some cases, price dumping was encouraged. Products not exported were sold in the local markets.<sup>98</sup>

As Arab aid to Syria ended, re-payments on loans from western financial sources and international monetary programs came due resulting in debt payments exceeding incoming payments. These factors combined with the economic mismanagement of the Syrian economy provided the ingredients for an economic collapse.

By 1981, external cash flows that had supported the Syrian regime equaled 12.7 percent of the GNP not including \$900 million in remittances from abroad. By 1985, this influx of capital ceased. The Syrian economy grew at 1 percent per year between 1982 and 1985 while the population increased by 3.4 percent per year.<sup>99</sup>

The regime reacted by easing restrictions on private sector finance exports from foreign held capital and adjusting official exchange rates. These measures helped slow Syria's failing economy but inadvertently caused shortages in commodities. By 1986, Syria's foreign exchange reserves fell to \$327 million, which were less than a month's imports. The government's central planning mechanisms were too limited to deal with

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<sup>98</sup> Ibid., 48.

<sup>99</sup> Nabil Sukkar, "The Crisis of 1986" in Eberhard Kienle (ed.) *Contemporary Syria, Liberalization Between Cold War and Cold Peace* (New York: British Academic Press, 1994), 27.

the crisis and relied on borrowing which resulted in inflation as high as 60 percent in 1987.<sup>100</sup>

Following various proposed solutions, the Syrian government's economic reforms focused on the expansion of the private sector, liberalizing prices, reducing subsidies, and developing an export-orientated strategy. The policy's effect was a meager increase in the GDP of 4 percent per year between 1986 and 1991, just slightly more than its population growth.<sup>101</sup>

### C. INCLUSION OF THE SUNNI URBAN BUSINESS CLASS

Because of the financial crisis in the 1980's, the relationship between the 'Alawi military elite and urban Sunni business class grew stronger. Losing financial rents from Arab oil aid, and Soviet and communist bloc subsidies caused a foreign exchange crisis by 1986. "State revenues were running short and external sources were not forthcoming in amounts that could cover the government's investment commitment."<sup>102</sup> By 1988, the World Bank stopped financing Syrian developmental projects when loans from that institution topped \$210 million.<sup>103</sup>

New regulations sought to generate foreign exchange. To mobilize private capital for productive investments, Syria repealed Socialist reforms against large land holdings.

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<sup>100</sup> Ibid., 28.

<sup>101</sup> Ibid., 32-37.

<sup>102</sup> Nazih N. Ayubi, *Overstating the Arab State*. (London and New York: I.B. Tauris , 1995), 361.

<sup>103</sup> Alasdair Drysdale and Raymond A. Hinnebusch, *Syria and the Middle East Peace Process*, (New York, New York: Council on Foreign Relations Press, 1991), 46.

Acceptance of the industrial sector's privatization was mixed.<sup>104</sup> The government would open new sectors of the economy for private enterprise in goods formerly banned from importation. This was a risky venture for private businessmen however, because the list of goods that could be privately manufactured or were banned from importation could change from year to year.<sup>105</sup>

Syria had to relieve itself of the financial burden of an extended public sector. Generally, the shock to the economy exacted by losing external aid and deteriorating levels of trade make government subsidization of state owned enterprises (SOE) exceedingly costly and difficult. If the government has firm control over its citizenry, it would be able to reform state owned enterprises. If the groups that are disadvantaged in SOE reform are not relevant to the government's support, then reform is easier to undertake.<sup>106</sup> For example, during the same period, Egypt's state owned enterprises employed about 14 percent of the population, and total public sector employment about 40 percent. The General Confederation of Labor in Egypt, which included most SOE unions, exercised *de facto* veto control over the government's efforts to implement reform.<sup>107</sup> In Syria's case, however, the regime attempted SOE reform to strengthen the Sunni business class, which would relieve the state of some of the public burden. This

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<sup>104</sup> Ibid., 55.

<sup>105</sup> Ibid., 57-58.

<sup>106</sup> World Bank Policy Research Report, *Bureaucrats in Business, The Economics and Politics of Government Ownership*, (Oxford: Oxford University Press, 1995), 178.

<sup>107</sup> Ibid., 183.

caused some alienation in the public sector. A report circulated by the General Federation of Workers' Unions of Syria accused government officials of supporting policies that would diminish the demand for products produced by the state owned enterprises in the public sector.<sup>108</sup> They were right.

Turning to the Sunni business class, the regime initiated a series of reforms. It created joint ventures between the state and the private sector with the private sector contributing not more than 75 percent of the capital. Money was invested in agriculture, food industries, and tourism.<sup>109</sup>

The change in tone in internal politics by official media and the acceptance of the new business class is noteworthy. Volker Perthes states that before the late 1980's, the business class had been commonly referred to as *parasitic bourgeoisie*. In 1988 however, state media sources began using the term "businessman" (*rajul a'mal*) in a positive tone. The government consulted successful businessmen on economic policies, which led to a truly pluralistic debate on internal economic issues.<sup>110</sup> Influential members of the Damascus Chamber of Commerce, a long neglected institution, were appointed to key governmental positions. Some of the richer urban merchants staffed the Committee for the Guidance of Import, Export, and Consumption, which enabled them to voice their opinions to the highest levels of the government administration.

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<sup>108</sup> Fred H. Lawson, "Private Capital and the State in Contemporary Syria," *The Middle East Report*, (MERIP), vol. 27, No. 2. Spring 1997, 10-11.

<sup>109</sup> Ayubi, 361.

<sup>110</sup> Volker Perthes, *The Political Economy of Syria under Asad*, 236.

#### **D. TIES TO THE ‘ALAWI MILITARY ELITE**

In recent years, members of the Syrian authoritarian bargain significantly strengthened their ties. This recent period’s most striking feature is the transition toward economic liberalization and integration of the ‘Alawi military and Sunni business class and the formal inclusion and participation of Syria in the Middle East peace process. Marriages between ranking members of the military and Sunni business classes solidified this emergent relationship. Children from ‘Alawi military and Sunni merchant families marry and move into the business world and this younger generation is often the most vocal about greater economic liberalization. Intermarriage between the ‘Alawi military and Sunni business class have served the domestic interests of both groups. For the ‘Alawi it provides a broader base of support and diminishes the appearance of a monolithic ‘Alawi controlled regime. For the Sunnis, a marriage into the ‘Alawi elite provides political connections that can further their business interests.<sup>111</sup> For example, Rifat al-Asad, the late President’s brother, has four wives, two of whom, Lina al-Khayyir, and Raja Barakat, are from the landed wealthy and Damascene upper middle class respectively.<sup>112</sup> Political connections with the Syrian regime helped make Mustafa al-

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<sup>111</sup> Raymond A. Hinnebusch, “Asad’s Syria and the New World Order: The Struggle for Regime Survival” in *Middle East Policy*, vol. II, Number 1, Middle East Policy Council, 1993, 11.

<sup>112</sup> Chouet.

Aidi, a Sunni businessman, a tycoon who made his fortune on airplane deals with Syrian Arab Airlines and the Al-Sham hotel chain.<sup>113</sup>

### **1. Empowerment of the Sunni Urban Business Class**

Syrian Law 10, of May 1991, further included the private sectors in the economy. Certain industries would no longer be protected or others banned; the new law opened up virtually the entire industrial sector to private entrepreneurs. Approved industrial projects received a seven-year tax holiday, with invested capital and profits being widely exempt from any restrictions or customs tariffs.<sup>114</sup> While the law reflected a significant move towards economic liberalization, the legislation was clearly focused on the upper echelons of the business class who could raise the required 10 million LS (\$240,000) to be included in the legislation.<sup>115</sup> Additionally, the legislation allowed capital held abroad to be used for investment projects in Syria. *The estimated offshore holdings by Syrians in 1994 was \$26.1 billion, which was 160 percent of Syria's GNP.*<sup>116</sup> Furthermore, the law facilitated the flow of capital between Beirut and Damascus, which had recently signed the *Treaty of Brotherhood, Cooperation, and Coordination* in the same year. The net effect of the treaty transformed Lebanon into a virtual satellite of Syria.

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<sup>113</sup> Raymond A. Hinnebusch, "Asad's Syria and the New World Order: The Struggle for Regime Survival" in *Middle East Policy*, vol. II, Number 1, Middle East Policy Council, 1993, 6.

<sup>114</sup> Volker Perthes, *The Political Economy of Syria under Asad*, (London: I.B. Taurus, 1995), 58.

<sup>115</sup> Ibid., 58.

<sup>116</sup> Alan Richards and John Waterbury, *A Political Economy of the Middle East* 2<sup>nd</sup> ed., (Boulder: Westview Press, 1998), 224.

It is ironic to note that the government introduced Syrian Law 10 of 1991 at a period when the Syrian economy was doing so well. Rather than a reaction to an economic downturn like the financial crisis of the 1980's, the law seems to have been enacted to protect the economy from one. It can only be surmised that the regime, having seen both economic good times and bad, wanted to take timely advantage of Syria's unique economic position. Another explanation is that after the second Gulf War, the United States began fulfilling its promise to restart the Middle East peace process. If the peace process were to result in treaties between the Arab states and Israel, the potential for a dominant Israeli economy dwarfing those of its neighbors could threaten the 'Alawi regime.

By 1995, the Syrian economy began to slow again. Syria's oil industry was a harbinger of hard times. In 1995, Syrian oil revenues generated 60 percent of the nation's export earnings (\$2.4 billion), but according to the Shell Oil Company, "...if no significant oil discoveries are made in the next few years, Syria would become a net oil importer by the year 2005."<sup>117</sup> Another indicator of Syria's down turning economy was the current account balance, which has shown progressively worse deficits surpassing \$600 million.<sup>118</sup> In 1995, *Al Ba'th* openly called for more economic reform. Under the headline, "THE INVESTMENT CLIMATE STILL NEEDS MORE," the newspaper

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<sup>117</sup> As quoted in Eliyahu Kanovsky, *The Middle East Economies: The Impact of Domestic and International Politics*" Middle East Review of Foreign Affairs, V 1, No. 2, July 1997  
<http://www.biu.ac.il/SOC/besa/meria/journal/1997/issue2/jv1n2a1.html>

<sup>118</sup> Ibid.

argued that one investment law alone could not reinvigorate the economy and the progress in reforming tax laws and customs duties were insufficient.<sup>119</sup>

## **2. Political Growth of the Sunni Urban Business Class**

In 1990, the Syrian parliament (Majlis al-Sha'b) expanded from 195 to 250 seats to allow non-Ba'thist participants to control roughly one third of the legislative body. The National Front, an organization for the Ba'th party and its allies held 168 seats with 82 going to independents. "Voters had little choice for the National Front candidates, but could choose from among 9000 independent candidates nationwide."<sup>120</sup> Respected urban upper-middle class professionals and members of the new commercial bourgeoisie were among the dominant independent winners.<sup>121</sup>

In Syria's internal politics, the movement towards more economic liberalization is paramount. In March of this year, Hafiz al-Asad accepted the resignation of his long-standing Prime Minister Mahmud al-Zu'bi and appointed Dr. Muhammad Mustafa Miru to the post with the task of forming a new government. The Syrian government's press releases praised Miru as the 'man with clean hands' with exceptional administrative and scientific credentials. Miru is the first Syrian Prime Minister appointed to the post who was not a member of the Ba'th Regional Command before taking the office. Moreover,

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<sup>119</sup> Ali 'Abbud, "The Investment Climate Needs More" (excerpt) Damascus, Al Ba'th in Arabic, (27 December 1995) Translation by the Foreign Broadcast Information Service. FBIS Daily Report – Near East, Southwest Asia, 16 February 1996 (PrEx 7.10: FBIS – NES 96-033, p. 52).

<sup>120</sup> Ayubi, 423.

<sup>121</sup> Volker Perthes, "Syria's Parliamentary Elections, Remodeling Asad's Political Base." *Middle East Report (MERIP)* (January–February 1992), 17.

Miru's former position was the provincial governor of Aleppo, a region that has witnessed substantial industrial growth during his tenure there. No former prime minister has made the jump from regional governor to the top ministerial position. Miru's promotion reflects the Sunni urban business class's success in their desire for representation in government.<sup>122</sup> Miru faces daunting challenges however. Foremost among them are new economic reforms.<sup>123</sup> Economic issues took center stage as the press reports flowed in from Damascus. The news was not about the peace process, but on the new government makeup that would improve Syria's economy. Postings that ensured regime security such as defense and interior went unchanged, but others were not.<sup>124</sup> The official Syrian daily *Al Ba'th* called the new cabinet makeup a sign of hope. Members remaining in their positions had proven themselves capable enough, and the new cabinet introduced "new experts" capable of raising the economy from stagnation to

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<sup>122</sup> Subhi Hadidi, "Has Al-Asad Lost Confidence in the Team That Has Been Ruling With Him for 31 Years? The Cabinet of Mustafa Miru Signifies the fall of the Traditions of the Corrective Movement." (text) London Al Quds Al-'Arabi in Arabic (10 March 2000) Translation by the Foreign Broadcast Information Service. FBIS Daily Report – Near East, West Europe 10 March 2000 (PrEx. 7.10: FBIS GMP 20000311000107).

<sup>123</sup> Unattributed, "High Level Sources on Tasks Facing New Syrian Cabinet" (text) London Al Sharq al-Awsat in Arabic (10 March 2000) Translation by the Foreign Broadcast Information Service. FBIS Daily Report – Near East, South Asia, 10 March 2000 (PrEx. 7.10: FBIS NES - GMP 2000031000089).

<sup>124</sup> Ibrahim Humaydi, "Damascus: New Government Launches 'Cycle of Change.'" (text) London London Al-Hayah in Arabic (15 March 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Database – Near East, Southwest Asia, 15 March 2000 (PrEx. 7.10: FBIS NES-GMP 20000315000108).

progress.<sup>125</sup> This latest change may portend greater economic liberalization that will further enhance the Sunni business class's power.

## E. URBAN BUSINESS CLASS AND FOREIGN POLICY

This chapter addressed the Syrian regimes' ties with the Sunni urban business class. In a *quid pro quo* arrangement stemming from the Muslim Brotherhood uprising, the business elite supported the Asad family. In return, those business leaders secured connections through personal contacts or marriage that they used to enhance their entrepreneurial standing. This "partner to the regime" gained political power and status. A question arises, however: How does foreign policy affect the interests of this emergent relationship?

From the perspective of foreign policy, the urban business class, as Sunni Arabs, would want to remain in the Arab camp. Sunni Arabs want to retain regional ties to the Arab states of Saudi Arabia and Egypt because it is in their best interest to do so. They would not tolerate a political alliance with Iran, as it did in Iran's war with Arab Iraq, again. When the regime decided to side with Iran in the Iran-Iraq war, the political elite's composition was very different than it is today. Syria had not experienced the Muslim Brotherhood uprising in Hama. It was a singularly praetorian regime with the military as the leadership's core support group. The support received from the Sunni urban business class during the Muslim Brotherhood uprising and this group's later economic

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<sup>125</sup> Unattributed, "The New Government: Hopes and Responsibilities" (text) Damascus, Damascus Al Ba'th in Arabic, (15 March 2000) Translation by the Foreign Broadcast Information Service. FBIS Daily Report – Near East, Southwest Asia, 15 March 2000 (PrEx 7.10: FBIS – NES GMP 20000315000069).

involvement in the state, altered the nature of the regime. It changed from a purely praetorian focus to a praetorian-corporatist elite that elevated the business class to a junior partnership level.

Certainly in the past ten years, Syria is a state closely allied with the other member states of the Arab League, foregoing sectarian differences and instead, emphasizing the arrangement's Arab dimension. Ties between Syria and her Arab neighbors have markedly strengthened in both extent and cordiality.

### **1. Domestic Steps Toward Peace**

Foreign policy for Syria centers on two key interests: Lebanon and the Middle East Peace Process. The urban business class may not like Israel and may fear its military strength, but it should realize a peace accord's benefits. The regime geared itself toward economic liberalization. Law 10 of 1991, for example, held that capital held abroad is available to make investments in Syria. This legislation, the relaxing of others such as tariffs, and the development of an Arab Free Trade Zone are preparatory steps toward a peace settlement. Hailed as a great improvement in economic law, Law 10, however, was certainly not full-fledged liberalization. Recently however, improvements have been made. In May of 2000, the government enacted amendments to Law 10 allowing foreign nationals to own or rent property and real estate in Syria for investment projects, which were covered under the law. In another improvement, the amendments allowed foreign nationals to use Syrian currency purchased in foreign markets for

investments in Syria. This amendment removed the requirement to do so in Syria at the ‘official’ exchange rate, which obviated investors taking a significant financial loss.<sup>126</sup>

More reforms are necessary, especially those that will affect the Syrian banking system. Dr. Nabil Sukkar, a Syrian economist, recommended overhauling the state’s monetary policy (the official exchange rate), making the central bank independent, and developing the infrastructure necessary to allow it to make small business loans to benefit the Syrian economy.<sup>127</sup>

The political and economic influence of the Sunni Arab urban business class will undoubtedly continue to grow in the present environment. These changes enhanced the capabilities of the junior partner to contribute to the economic health of the regime, a fact highlighted by the new government instituted in the past year and the efforts at further economic liberalization.

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<sup>126</sup> Abd al-Faatah al-Awd, “Report on an Interview with Syrian Economy and Foreign Trade Minister Dr. Muhammad al-Imadi” (text) Damascus Tishrin in Arabic, (16 May 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Database – Near East, 17 May 2000 (PrEx. 7.10: FBIS GMP20000517000180).

<sup>127</sup> Ruzuq al-Ghawi, “Interview with Dr. Nabil Sukkar, a Syrian Economic Expert” (text) London Al-Sharq Al-Awsat in Arabic, (15 June 2000). Translation by the Foreign Broadcast Information Service. FBIS Online Database – Near East, 15 June 2000 (PrEx 7.10: FBIS GMP20000615000036).

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## **IV. CASE STUDY - SYRIAN PARTICIPATION IN OPERATION DESERT STORM**

The need to further the interests of its domestic elites and realign its external threats motivated Syria's support of the U.S.-led Gulf War coalition.

David's *omnibalancing* argument holds that a leader must be able to balance internal *and* external threats to the regime to survive.<sup>128</sup> The external physical threats faced by Syria in the summer of 1990 were minimal. Though Iraq and Syria share a long contiguous border, the idea that Saddam Hussein would use his forces to conquer such a destitute state as Syria is improbable. There was no imminent danger along Syria's remaining borders with Turkey and Jordan. The threats to the regime were from its own elite internally, and from Israel externally. The state had to ensure the continued backing of its main pillar groups, the 'Alawi military elite and urban business class, or face their loss of support and possibly its removal from power. Following the 1986 financial crisis, the Asad regime, had realized the optimum form of support it needed. The strong security forces remained loyal to the leadership so long as the regime provided it patronage in return for its security. The Sunni Arab business elite diversified the regime's ethnic face and provided a source of foreign exchange and economic productivity in return for an economic free reign. Syria had to address its worsening economic conditions to maintain this balance.

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128 David, 7.

The Gulf War would mark the final withdrawal of the Soviet Union from the Middle East. The Asad regime had witnessed a weakening Soviet presence since the mid 1980's, but the lack of Soviet support for Iraq would epitomize its weakness in the region.

#### A. CONTEXT

On the eve of the Second Gulf War, Syria neared economic ruination. It had lost almost all external rents and could not pay its debts. Servicing these payments in 1989 surpassed incoming cash flows.<sup>129</sup> Military expenditures and imports were half that of 1980 and the Soviet Union had withdrawn its influence and support from the region.

In reaching the decision to side with the United States, the Asad regime had to weigh two important factors: the will of public opinion, and strategic needs and interests of the state. The regime would ultimately forego both because in the end, carefully weighing these two factors would point to neutrality.

Syria could just as easily have stayed neutral in the Second Gulf War, as did Jordan. The Syrian people were widely supportive of Saddam Hussein's invasion. They saw Iraq's move into Kuwait as a victory of the 'have-nots' over the 'haves.' Economically, the common Syrian identified more closely with Iraqis than with a common Kuwaiti who enjoyed the tremendous luxuries that Kuwaiti petrol-dollars wrought. Following the invasion, Syrian supporters of Iraq clashed with government troops in small towns and the Agence France-Presse reported Syrian troops in the capitol

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<sup>129</sup> Volker Perthes, *The Political Economy of Syria under Asad* (London: I.B. Taurus, 1995), 34.

of Damascus to prevent pro-Iraqi demonstrations.<sup>130</sup> In the Syrian mosques, Muslim 'ulama prayed for the success of the Iraqi forces. In the military, three Syrian commanders turned down promotion opportunities so as not to be too closely associated with the regime's pro U.S. policy. Foreign diplomats estimated that Syrian public opinion ran as high as 90 percent in favor of Iraq.<sup>131</sup>

This level of support was certainly evident in Jordan where the majority Palestinian population voiced tremendous support of Saddam Hussein's invasion. A demonstration held in Amman at the conclusion of the ground war in Iraq saw 10,000 supporters of Saddam Hussein take to the streets in opposition to the U.S. led coalition.<sup>132</sup> This level of support forced King Hussein of Jordan to press for a negotiated Arab solution to the crisis, which was based on his state's neutrality in the conflict.

While Syria and Iraq, led by separate factions of the Ba'th party, had been at ideological odds in the past, these nations certainly had no direct conflicts. Even during the Iran-Iraq War, Syria had sided with Iran to punish Saddam Hussein for wasting what

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<sup>130</sup> Unattributed, "Troops Surround Cities after Pro-Iraqi Protests," (text) Paris AFP in English (29 August 1990) Transcribed by Foreign Broadcast Information Service. FBIS Daily Report – Near East, Southwest Asia, 30 August 1990 (PrEx 7.10 – NES 90-169, NC29081711990).

<sup>131</sup> Daniel Pipes, "Damascus Courts the West: Syrian Politics, 1989-1991" The *Washington Institute Policy Papers*. (Washington, D.C.: Washington Institute for Near East Policy, 1991), 51-53.

<sup>132</sup> Sirin Halasa, "10,000 Demonstrate in Solidarity with Iraq," (text) Amman, Jordan Times in English (1 March 1991) Transcribed by Foreign Broadcast Information Service. FBIS Daily Report – Near East, Southwest Asia, 1 March 1991 (PrEx. 7.10 – NES 91-041, JN010391191).

Hafiz al-Asad termed ‘Arab resources’ on Iran instead of Israel.<sup>133</sup> Asad’s support for Iran was political, not physical in that no Syrian troops opened a second front along the Iraqi border. However, Syria’s support for non-Arab Iran did cost Syria tremendous political and monetary capital vis-à-vis the Arab states of the region. Strategically, Syria’s border with Iraq was a lesser concern, when compared to its antagonistic relationships with Israel and Turkey. Syrian support for the U.S. led coalition could have been limited to the political support it had shown Iran when Iraq had invaded that country in 1980. The conditions were extremely similar. Iraq had invaded and was thus ‘wasting’ Arab resources in a conflict that should be reserved for the struggle with Israel. Instead, Syria dispatched an entire armored division totaling 20,000 troops and equipment to Saudi Arabia.<sup>134</sup>

As the United States set out building its coalition, it was inevitable that Syria join the coalition. Then U.S. Secretary of State James A. Baker believed that adding Syria to the U.S. led coalition would “immeasurably strengthen” the credibility of the coalition.<sup>135</sup> According to Daniel Pipes, Asad requested quid-pro-quo for his inclusion in the coalition. Pipes believes that Asad asked to remove Syria from the U.S. listing of states sponsoring terrorism (which automatically subjected Syria to economic sanctions), and financial aid.

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<sup>133</sup> Alasdair Drysdale and Raymond A. Hinnebusch, *Syria and Middle East Peace Process*, (New York: Council on Foreign Relations Press, 1991), 59.

<sup>134</sup> Andrew Leyden, *Gulf War Debriefing Book, An After Action Report* (Grants Pass, OR: Hellgate Press, 1997), 262.

<sup>135</sup> James A. Baker III with Thomas M. DeFrank, *The Politics of Diplomacy, Revolution, War and Peace 1989-1992*, (New York: G.P. Putnam’s Sons, 1995), 297-298.

"I am your cover" Asad reportedly told a U.S. delegation, though this argument has not been realized.<sup>136</sup>

The Asad regime's decision to side with the United States against Iraq neither followed the political will of its people, nor did it follow a strategic need of the state by confronting its neighbor.

## B. REALIGNMENT VERSUS EXTERNAL THREATS

The Soviet Union's withdrawal from the Middle East presented a confusing dilemma for the Soviet's two main client states, Syria and Iraq. Syria realized that with Soviet support it could retain a stalemate with Israel. It had been re-supplied following its major confrontations with Israel with new and better equipment in 1983. By the late 1980's however, this equipment was harder to obtain, and the regime would have sensed the growing reluctance of the Soviets to be involved in a conflict between its client state and an Israel backed by the United States.

Iraq however, had regularly received weapons and support from the Soviet Union in its war with Iran, and had felt no weakening of its ties to its major patron. Saddam Hussein may have been naïve to the weakening Soviet position because of Iraq's ability to purchase weapons and provide the Soviets with a valuable source of foreign exchange, something Syria could not.

When Iraq invaded Kuwait, the Soviet Union allowed the United States a free hand in organizing its coalition to oust Saddam Hussein that would result in the U.S. led

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<sup>136</sup> Pipes, 24.

Gulf War. With the United States taking the leadership role in the Middle East, the Syrian regime faced a situation similar to that of Anwar Sadat in the 1973 Yom Kippur War. In that war, an internal threat predicated Sadat's realignment from the Soviet Union to the United States, when Israeli forces threatened to destroy the Egyptian 3<sup>d</sup> Army trapped on the east bank of the Suez Canal. If the Israelis persisted and destroyed the Egyptian army, Sadat faced the threat of a military coup that would replace him. The tremendous loss that Israel threatened to deliver would nullify Sadat's political victory in recapturing the Suez Canal. Sadat required the help of the United States to restrain Israel to prevent his own demise from the internal threat of a military coup.<sup>137</sup>

While the situation faced by Asad in the summer of 1990 was certainly not as critical of that of Sadat in 1973, the principles were the same. Asad's alignment with the United States was a shift from the expected protection that the Soviets had heretofore exercised, but in light of its weakened position, was no longer capable.

### C. INTERVENTION AND REWARDS

The Syrian decision to join with the United States and other Arab nations in coalition against Iraq would produce tremendous benefits to the regime. This alignment would provide legitimacy for Syria's intervention in Lebanon, and a cash infusion of rents and pledges from the Arab states and industrialized nations that would enable the regime to resume its clientalist relationship with its urban business class supporters.

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<sup>137</sup> David, 87-88.

The Iraqi invasion of Kuwait reversed the decline of world oil prices from the 1980's. Before the invasion, oil prices hovered between \$10-\$15 a barrel. Following the invasion, the oil prices hovered between \$20-\$40 a barrel.<sup>138</sup> While the United States took the lead in opposing the Iraqi aggression, economists began predicting that oil prices could reach as high as \$80 or even \$100 per barrel if war broke out.<sup>139</sup>

Joining the U.S. led coalition, Hafiz al-Asad also sought to re-establish his support from the Arab oil states of the Persian Gulf. As one of the regime's prime financial supporters before the Iran-Iraq war, Asad realized the economic potential of coming to the threatened Gulf state's rescue. The projected rise in world oil prices brought back memories of the oil boom years and the wealth that they produced. Shortly after condemning the Iraqi regime's invasion of Kuwait, Syria received more than \$2 billion in direct aid.<sup>140</sup> The Kuwaiti fund for Arab Economic Development has continued to provide annual payments in millions of dollars to fund large-scale infrastructure developments such as irrigation projects, and power plants.<sup>141</sup>

Gulf aid amounted to more than its original grant however. In March of 1991, Egypt, Syria, and the six states of the Gulf Cooperation Council signed the Damascus

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<sup>138</sup> Douglass McWilliams, "World Economy Wobbles: Impact of the Gulf War on the World Economy" in *Petroleum Economist* (Feb. 1991 Vol. 58, No. 2 p. 7) LEXIS/NEXIS 22 NOV 99 Lib: Energy.

<sup>139</sup> Deborah Rowel, "Oil Prices and the War with Iraq: Facts and Forecasts" in *Petroleum Independent*, (Jun 91, Vol. 61, No. 1 p.6) LEXIS/NEXIS 22 NOV 99 Lib: Energy.

<sup>140</sup> Pipes, 22.

<sup>141</sup> Unattributed, "Economic Media Report: 16-31 December." FBIS Report. 13 January 1997. FBIS Online Database Near East/South Asia 13 January 1997 (PrEx. 7.10 - FTS19970113000384).

Declaration. The Declaration called for cooperation, non-interference in internal affairs and mutual respect. In return for a limited presence, Egypt and Syria would share \$15 billion annually. The GCC later reduced this amount to \$6 billion.<sup>142</sup> Though the Declaration has since weakened to a multilateral forum for meetings between the signatories, the relationship with the Gulf States re-established the annual cash flows that had fostered Syrian growth during the oil boom years of the 1970's.

International aid also flowed to Syria as a benefit of joining the U.S. led alliance. The aim of the United States was that nations who benefited from Iraq's expulsion from Kuwait should reimburse the nations who provided the manpower and military assets. To this end, Syria received an additional \$200 million grant from the European Community and a \$500 million loan from Japan.

In sum, Asad's regime received an immediate cash inflow of nearly \$3 billion in return for stationing 20,000 troops in Saudi Arabia.<sup>143</sup> Asad managed to use his military presence to the utmost. While Syrian troops did not engage in offensive operations, their mere presence in Saudi Arabia enabled Asad to reap tremendous financial benefits, and re-established cash flows from the Persian Gulf states.

The massive influx of Arab financial support allowed the Syrian regime to complete infrastructure development that had languished since the mid-1980's. Volker Perthes states that similar to the aftermath of the 1973 October War, "Syrian officials

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<sup>142</sup> Muhammad Faour, *The Arab World After Desert Storm*, (Washington, D.C.: United States Institute of Peace Press, 1993), 86-88.

<sup>143</sup> Pipes, 22.

seemed to have problems coming up with project proposals for all the cash offered for development purposes from Gulf Arab and other sources.”<sup>144</sup> This infusion of strategic rents secured the regime the money required to fund projects directed at the mixed and private sector companies, which would have their patronage expanded to the economy’s industry and agricultural sectors.

### **1. Military Benefits**

While the United States did not directly offer financial aid to Syria, it did give Syria a ‘green light’ to establish its hegemony over neighboring Lebanon.<sup>145</sup> On 13 October 1990, Syrian forces in Lebanon attacked the Presidential Palace of General Michel 'Awn in Beirut, while 20,000 Syrian troops stood shoulder to shoulder with the U.S. coalition in Saudi Arabia. Syrian forces ousted General 'Awn, who led Lebanese opposition to Syria's continued presence in his country. After 'Awn's expulsion, Syrian forces installed a pro-Syrian government in its stead. Syrian dominance in Lebanon was formalized on 22 May 1991, a month and a half following the cease-fire in Iraq. The Treaty of Fraternity, Cooperation, and Coordination stated that Lebanese policies be conducted in cooperation with Syria.<sup>146</sup> The United States did not interfere in the Syrian takeover of Lebanon, other than to restrain Israel, which may have preferred a Syrian

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<sup>144</sup> Volker Perthes, *The Political Economy of Syria under Asad* (London: I.B. Taurus, 1995), 48.

<sup>145</sup> Aharon Levran, *Israeli Strategy After Desert Storm* (London: Frank Cass & Co. LTD, 1997), 101.

<sup>146</sup> Fidah Nisrallah, “Syria after Ta’if: Lebanon and the Lebanese in Syria” in Eberhard Kienle (ed.), *Contemporary Syria, Liberalization Between Cold War and Cold Peace* (New York, New York: British Academic Press, 1994), 135-136.

imposed stability to Lebanese infighting. The day following the treaty signing, the U.S. government authorized the release of \$4 million of non-lethal military equipment to Lebanon that had been impounded since the 1980s.<sup>147</sup>

The 30,000 Syrian troops stationed in Lebanon benefit from the Syrian hegemony there. Maintaining support from the Syrian military machine is one of the key objectives of the Asad regime. “Much of the smuggling that goes on in Lebanon can be explained as a means by which Damascus pays off...some of the key Syrian military commanders who control smuggling routes in Lebanon.”<sup>148</sup> In addition to the legal benefits of its domination in Lebanon, the U.S. Drug Enforcement Administration estimates that Syrian control of the heroin and hashish trade in the Biqa Valley results in \$1 billion a year for Syrian authorities.<sup>149</sup> Fred Lawson states that profits and kickbacks for the military and security forces in control of the narcotics trade have been valued at nearly \$2 billion a year.<sup>150</sup> The Lebanese banking system launders and distributes profits garnered through the drug trade. Powerful Syrians connected to these activities include Mustafa T’las, the Defense Minister of Syria, and Rifat al-Asad, brother of the late Syrian President.<sup>151</sup>

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<sup>147</sup> Pipes, 61.

<sup>148</sup> Robinson, 172.

<sup>149</sup> Pipes, 79.

<sup>150</sup> Fred Lawson, *Why Syria Goes to War Thirty Years of Confrontation*, (Ithaca and London: Cornell University Press, 1996), 145-146.

<sup>151</sup> Reuven Erlich, “Terror and Crime in Lebanon,” The International Policy Institute for Counter-Terrorism. Available [Online]: [www.ict.org.il/articles/crime2.htm](http://www.ict.org.il/articles/crime2.htm)

The influx of renewed rents from the Arab oil states financed a modernization of the Syrian military equal to roughly \$1-\$2 billion.<sup>152</sup> These massive rents enabled the Syrian armed forces to purchase arms from the formerly communist states of Eastern Europe as well as China and the Democratic People's Republic of Korea.<sup>153</sup>

## **2. Urban Business Class Benefits**

In May of 1991, Syria enacted Law 10, which allowed direct foreign investment into the Syrian economy and more private sector participation in the economy. Law 10 hailed as a potential harbinger of further liberalization, served to take advantage of the changing political scene of the Middle East. The law's passage was partly due to the uncertainty of future rent transfers from the Gulf Arab oil states, which Syria had experienced in the middle of the 1980's. Following Iraq's invasion, approximately 100,000 Syrian expatriates returned from Kuwait and brought their knowledge and business contacts with them. Moreover, they also had valuable capital held abroad.<sup>154</sup>

In Lebanon, this enabled entrepreneurs to build and acquire assets in Syria and vice-versa. As the Syrian economy grows, Syrian expatriates in Lebanon and Lebanese businessmen are "at the forefront of those eager to invest in Syria once such opportunities

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<sup>152</sup> Eliyahu Kanovsky, *Has the Peace Process Reaped Economic Dividend*, Ariel Center for Policy Research. Available [Online]: [www.acpr.org.il/publications/defense\\_exp/pp11.html](http://www.acpr.org.il/publications/defense_exp/pp11.html)

<sup>153</sup> Barry Rubin, *North Korea's Threat to the Middle East and the Middle East's Threat to Asia*, Available [Online] <http://www.biu.ac.il/Bcsa/meria/books/brkorea.html>

<sup>154</sup> Sylvia Pölling, "Investment Law 10: Which Future for the Private Sector?" in Eberhard Kienle (ed.), *Contemporary Syria, Liberalization Between Cold War and Cold Peace* (New York: British Academic Press, 1994), 20.

arise.”<sup>155</sup> With virtual control over Lebanon and its open market economy, the Asad family regime can offer its own businessmen the opportunity to invest there. The number of Syrian businesses operating in Lebanon has grown tremendously following the signing of the Syrian-Lebanese treaty and the passage of Law 10. The head of the Lebanese Bankers Association, As’ad Sawaya is a businessman from Homs and Syrian merchants head some of the largest road construction, contracting firms, and real estate developments in Lebanon.<sup>156</sup> Eliyahu Kanovsky reports that as many as a million Syrians work in Lebanon today, which reduces the unemployment in Syria. Additionally, the remittances sent home to families in Syria provide foreign exchange earnings estimated at \$1 to \$3 billion per year.<sup>157</sup>

### **3. Regime Benefits**

In joining the U.S. led coalition, Asad switched his external alignment from the Soviet Union to balance his *internal* threat from the ‘Alawi military elite. For nearly twenty years, the Soviets had provided the Syrian military the super-power protection needed for a ‘no peace, no war’ stalemate. The Soviet Union removed this protection as it disengaged itself from the Middle East. The Syrian military would be alone to face its main rival, Israel. Given the increased cooperation between the United States and Israel

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<sup>155</sup> Fidah Nisrallah, “Syria after Ta’if: Lebanon and the Lebanese in Syria” in Eberhard Kienle (ed.), *Contemporary Syria, Liberalization Between Cold War and Cold Peace* (New York, New York: British Academic Press, 1994), 135-136.

<sup>156</sup> Ibid., 137-138.

and the predominant position of the United States in the region, any conflict between Israel and Syria would result in the destruction of the Syrian military. Similar to Sadat in 1973, an angered military elite would seek Asad's removal for failing to protect them. In the 1973 Yom Kippur War, in eighteen days of fighting, Syria lost 1,150 tanks. Israel lost 200. The Soviet Union and the United States soon replaced the lost equipment.<sup>158</sup> In 1990, Syria realized that neither the Soviet Union would be capable of providing similar support, nor would Syria be able to pay for it. The same was not true of Israel. The demise of the Soviet Union therefore removed Asad's shield and the regime had only two options. His first option was to remain neutral, which offered him no external protection of his armed forces and by extension, his own regime. His second option was to shift his external alignment to the United States, which would enable the United States to restrain Israel, much as Anwar Sadat had faced in 1973. Syria's acceptance of the 1991 Madrid Peace Conference and subsequent talks enabled this somewhat weak arrangement to persist, so long as Syria and Israel, under the guidance of the United States continue peace talks.

#### D. CASE STUDY ANALYSIS

The Syrian participation in the U.S. led Gulf War coalition enabled the regime to secure external sources of strategic rent to satisfy the interests of its domestic elites. The

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<sup>157</sup>Eliyahu Kanovsky, "The Middle East Economies: The Impact of Domestic and International Politics," in *The Middle East Review of International Affairs*, Vol. 1, No. 2, July 1997. Available [Online]: <http://www.biu.ac.il/SOC/besa/mcria/journal/1997/issue2/jv1n2a1.html>

<sup>158</sup> Robert A. Pope, *Bombing to Win, Air Power and Coercion in War*. (Ithaca and London: Cornell University Press, 1996), 324.

Syrian military elite received an influx of new material, arms and supplies. More importantly, Syria's hegemony in Lebanon was secured and recognized, which provided a near constant source of patronage to the leadership of the 'Alawi led military and provided for its loyalty. Asad's alignment switch to the United States provided the 'Alawi military elite the protection from Israel, which had heretofore been provided by the Soviet Union. This allows them the freedom to conduct their own activities in Lebanon and retains their loyalty to the Asad family regime.

The flood of cash for supporting the U.S. position also provided the state with financing for new developmental projects. The mixed and private sector companies run by the regime supporters in the Sunni urban business class promptly received the new projects. Because of the new alignments, the state generated tremendous patronage for its domestic pillars of support. Other theoretical frameworks may explain Syria's decision-making, but the events highlighted in the case study are certainly consistent with the *omnibalancing* argument.

Syria's next major foreign policy decision, barring some unforeseen crisis, will undoubtedly be whether to successfully conclude negotiations and a peace agreement over the Golan Heights with Israel. The *status quo* between Israel and Syria maintains the internal balance that the Asad family regime utilizes to maintain its rule. A peace agreement between Israel and Syria that would threaten this balance does not seem likely. The key to any possible arrangement must ensure that this internal political balance of the Syrian elite is retained.

## **V. CONCLUSION**

This thesis has analyzed the Syrian regime of the Asad family and identified the component members of the authoritarian bargain in the state. While it is obvious that both the ‘Alawi military elite and Sunni urban business class are the regime’s main backers, they also can be the cause of the regime’s demise. The military could forcibly change the leadership, and the Sunni urban business class could withdraw its support, which could cause wider problems such as economic collapse, or confessional conflict. In this respect, the two groups are both supporters and threats to the regime. The regime must heed the elite’s needs, or internal forces will change it. The Asad family is the face for the ruling interests, and the father’s son continues a style of leadership that is familiar to the nation.

### **A. ASSUMPTIONS**

Four assumptions, implicit in this analysis of the role internal politics has upon Syrian foreign policy, will now be addressed. Those assumptions are:

- The composition of the regime with Dr. Bashar al-Asad as president will remain intact.
- Syria wants a final peace agreement with Israel.
- The U.S. accepts the current regime of Bashar al-Asad and is willing to work with it.
- Israel will work towards a peace agreement with Syria.

The first assumption is that the composition of the regime with Dr. Bashar al-Asad as president will remain intact. There has been no mention of internal disruption or

significant violence in the past year to suggest a power struggle or other inter-elite conflict will erupt and remove Bashar al-Asad from the presidency. There is, however, a possibility that an assassin's 'lucky bullet' could alter the *status quo*. In addition, there are a number of 'retired' military and security officials such as 'Ali Haydar and Ali Duba, who may give the regime trouble, but as the current regime solidifies, it will strengthen with each passing day. The second assumption is that Syria *wants* a final peace agreement with Israel. Politically, less flexibility in any agreement would be more beneficial to the regime, but harder, if not impossible to achieve. Such an agreement would bolster the prestige and security of President Asad. Likewise, a degrading agreement that succumbs to Israeli demands could be disruptive to the regime. A less than desirable agreement would provide an opportunity for a potential rival to seriously challenge the president on the pretense of selling out his nation and remove him from his post.

Maintaining the *status quo* would not be particularly troublesome for the regime. The military would be under no pressure to withdraw from Lebanon, and the Sunni urban business class would still profit from their close ties to the regime. The occasional low-level as well as ministerial talks between Syria and Israel maintain Syria's participation in the peace process and Syria's 'alignment' with the United States.

The first assumption concerning the United States is that it accepts the current regime of Bashar al-Asad and is willing to work with it. This is most likely the case given the history of direct talks between U.S. President William J. Clinton and the late president Hafiz al-Asad. While likely to continue, the United States will have a newly

elected president in January of 2001. Historically, U.S. foreign policy for the United States has not been an important issue in a U.S. president's first term. Additionally, domestic interests in the United States could pressure a new president to forego conducting diplomatic negotiations with a state that has such an authoritarian nature. As corrupt and authoritarian as the regime may be, its composition and interests are known. A change in regime leadership would still require the current constituency of the 'Alawi military elite and Sunni urban business class. A defection by one of the two groups could have a potentially destabilizing effect and raise the specter of internal conflict. If the United States wants to maintain stability in the region, it should maintain its relationship with the Asad government.

The last assumption is that Israel will work towards a peace agreement with Syria. Any agreement between the two nations will require the return of land by Israel to Syria. Recent negotiations have faltered over the question of a few meters of land around Lake Tiberias. This may call into question the sincerity of either negotiating side, but also highlights how contentious an issue a peace agreement for both Israel and Syria actually is. The maintenance of the *status quo* would be politically easier for Israel, than achieving a final peace agreement with Syria.

## **B. OMNIBALANCING THE ELITE STRUCTURE OF POWER**

The Asad family regime must take into account the interests of the elite, and further these interests in both its domestic and foreign policy.

The 'Alawi military elite is the main pillar of support for the regime. They serve as the Asad family's praetorian guard and enjoy a privileged position within the

authoritarian bargain. As witnessed by the recent ascension to power of Bashar al-Asad, it was Mustafa T’las, Minister of Defense, who orchestrated the transfer of the presidency from father to son. Under the Asad family, the ‘Alawi military elite have maintained a comfortable *status quo* situation that was unchanged by the death of Hafiz al-Asad. Through either ethnic or familial ties, changes inside the ‘Alawi military elite have strengthened the military’s leadership and its relationship to the regime, thus ensuring that the Asad family would remain the titular head of the state.

The military’s position in Lebanon has been the source of neither debate nor friction inside of Syria, and its role in Lebanon will remain well into the future. As maintainers of the *status quo*, the military elite will not want either their position in the regime or in Lebanon altered.

The Sunni urban business class is the rising force in Syrian politics. In the fifteen years since their inclusion into the authoritarian bargain, this group has seen their power enhanced through economic and political means. Their situation is different from that of the ‘Alawi military in that it is a *quid pro quo* relationship with the regime. The Sunni urban business class’ commerce provides needed foreign exchange and a face of diverse support for the regime. In return, the regime provides it with privileged business connections to state contracts and monopolistic enterprises. Economically, liberalization policies strengthened the Sunni urban business class. However slight this liberalizing trend has been, the business elite have taken full advantage of the reforms. Politically, the regime has enhanced the Sunni business class through its representation in the People’s Assembly. Realistically, the legislature is *pro forma*, but at the same time, the regime has

allowed honest discussion on economic matters. The *status quo* for the Sunni urban business class is most probably adequate however, this group would benefit from ending Syria's perimeter status in the region.

Since the U.S. led Gulf War coalition that ousted Iraqi forces from Kuwait, the Syrian regime has deftly protected itself from the strongest member of the authoritarian bargain, the 'Alawi military elite. By supporting the United States and entering into the Middle East peace process, the regime has protected the 'Alawi military elite by replacing its' super-power patron. The Soviet Union's withdrawal from the Middle East, and its eventual collapse, required the regime to seek external protection from the internal threat of its own military. The weak alignment to the United States and the peace process protects the regime. So long as the forum for negotiations continues, the arrangement prevents the eruption of war, which would lead to a Syrian defeat and the regime's replacement by the military.

### **C. INTERNAL STABILITY REQUIREMENTS**

Bashar al-Asad has been in power for less than a year, and has yet to truly prove himself in office. The direction of internal affairs is toward bolstering the ailing Syrian economy and issues of 'high policy' presently seem to be less important. The Syrian government gave a measured reaction to the recent clashes between Palestinians and the Israeli Defense Forces in the occupied territories, and reflected the same response as the other regional Arab states, harsh on rhetoric, but no concrete action.

Asad is still enjoying the nation's sympathy over his father's death. Regardless of the oppressive nature of his regime, his own people and regional leaders view Asad in

positive terms. The ‘honeymoon’ effect will expire by the first anniversary of his father’s passing. After that time, the people will reassess their own situation and how it has fared under their new leader. The key for Bashar al-Asad is to improve the lot of the Syrian people between now and then. Improvement can only come through economic reforms that reduce government interference in business affairs, and political reforms that reduce the regime’s oppressive presence in daily life. These same reforms should also benefit the Sunni urban business elite, who will approve of them.

Internal stability is the first requirement for Syria to be able to reach a peace agreement with Israel. The regime of Bashar al-Asad must show that it can support both the ‘Alawi military elite and the Sunni urban business class. Bashar al-Asad must show that he is a worthy successor to his father, capable of fulfilling his father’s legacy and maintaining the balance of internal forces.

#### **D. THE SYRIAN POSITION FOR PEACE**

A review of recent Syrian history concerning the peace process has shown a steadfast adherence to United Nations resolutions. Under Hafiz al-Asad, the prospect of peace with Israel came nearly twenty years after his assumption to power. Once in negotiations, the Syrian stance was extremely unbending. In simple terms, the Syrian requirement is the complete return of all land occupied by Israel in the 1967 Six Day War, and the return to the borders *ante bellum*. On a personal level, Hafiz al-Asad may have felt responsible for the loss of the Syrian Golan Heights as the Syrian Defense Minister in 1967, and this would explain the hard line that he took. Using the *omnibalancing* argument however, throughout the majority of the elder Asad’s tenure as

president, the 'Alawi military elite were the main power brokers of the regime. As previously stated, their interests compel maintenance of the *status quo*.

Bashar al-Asad does not hail from the same martial background as his father. He is a trained ophthalmologist thrust into his current position following the death of his older brother Basil. As the leader of the Syrian regime, he may have his own opinions on how to conclude a peace agreement with Israel, but is constrained by the requirement of maintaining the support of both the 'Alawi military elite and the Sunni urban business class.

Bashar al-Asad owes his position to the military elite. In Bashar al-Asad's first address to the National Assembly, he used his father's hard-line rhetoric concerning the Middle East peace process as it pertains to the Syrian case. Though lacking a military background, Bashar al-Asad is obviously attune to their views. Whether this is his own personal position is irrelevant, because a departure from the military's viewpoint could mean his own departure from the national scene as well.

#### **E. POLICY IMPLICATIONS FOR THE UNITED STATES**

As the conduit of the Middle East Peace Process, the United States should understand the implications of the regime change in Syria.

Hafiz al-Asad set the bar for negotiations very high. Indeed, he went to his death without wavering from his position of a full return of the Golan Heights to Syria. The disagreement is not existential; rather it is simply territorial. The Camp David Accords between Egypt and Israel resulted in the full withdrawal of Israeli troops from the Sinai

to the international border of Egypt and Mandate Palestine.<sup>159</sup> Syria wants nothing less. Any movement away from Hafiz al-Asad's position, would incite the 'Alawi military elite to remove Bashar al-Asad from power as quickly as they put him there.

The United States must understand the new Syrian leader's precarious position and know that he will follow the wishes of his power elite. This precariousness is not favorable to what many see as a change for the better in Syria. Bashar al-Asad may very well embark his nation on the road to economic recovery which will improve stability in the region. These are issues that are peripheral to the 'Alawi military and beneficial to the Sunni urban business class, but they will not change the Syrian requirement for a peace agreement with Israel.

A peace agreement between Syria and Israel will bring Syria into the world's mainstream. In effect, once the psychological hurdle of making peace has passed, the opportunity to grow and develop will be the regime's main concern.

The regime seems to be taking steps toward strengthening the economic infrastructure of the state in order to benefit from a peace settlement. This economic strengthening would please its Sunni urban business class, but it is the 'Alawi elite who remain as the regime's final arbiters and it is the 'Alawi elite who will enforce any agreement's requirements.

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<sup>159</sup> William B. Quandt, *Peace Process, American Diplomacy and the Arab-Israeli Dispute Since 1967*. (Berkeley and Los Angeles: University of California Press, 1993), 467.

## VI. APPENDIX A

### LEBANON-SYRIA TREATY OF COOPERATION MAY 20 1991

The Lebanese Republic and the Syrian Arab Republic on the basis of the distinguished brotherly relations between them which serve their strength from the roots of kinship, history, common affiliation, common destiny, and joint strategic interests; out of their belief that the achievement of the broadest cooperation and coordination between them will serve their strategic interests and provide the means for ensuring their development and progress and for defending their pan-Arab and national security be a source of prosperity and stability enable them to face all regional and international developments and meet the aspirations of peoples of the two countries; and in implementation of the Lebanese national accord which was ratified by the Lebanese Chamber of Deputies on 5 November 1989 have agreed on the following:

Article 1. The two states will work to achieve the highest level of cooperation and coordination in all political economic security cultural scientific and other fields in a manner that will realize the interests of the two fraternal countries within the framework of respect for their individual sovereignty and independence and will enable the two countries to use their political economic and security resources to provide prosperity and stability ensure their pan-Arab and national security and expand and strengthen their common interests as an affirmation of the brotherly relations and guarantee of their common destiny.

Article 2. The two states will work to achieve cooperation and coordination in the economic agricultural industrial and commercial fields as well as in the fields of transportation communications customs the establishment of joint profits and coordination of development plans.

Article 3. The connection between the security of the two countries requires that Lebanon not become a threat to Syria's security and vice versa under any circumstances. Therefore Lebanon will not allow itself to become a transit point or base for any force state or organization that seeks to undermine its security or that of Syria. Syria which cherishes Lebanon's security independence and unity and the agreement among its people will not allow any action that threatens Lebanon's security independence and sovereignty.

Article 4. After the political reforms are approved in a constitutional manner as stipulated in the Lebanese national accord and after the deadlines specified in this accord have expired the Syrian and Lebanese Governments will decide on the redeployment of the Syrian forces in the al-Biqa' area and the entrance to western al-Biqa' in Dahr as-Baydar up to the Haammanah-al-Mudayri-'Any Dara line and if necessary in other points to be specified by a joint Lebanese-Syrian military committee. The two governments will

conclude an agreement specifying the size and duration of the Syrian forces' presence in these areas and the relationship of these forces with the authorities of the Lebanese state.

Article 5. The two states' Arab and international foreign policy shall be based on the following principles:

1. Lebanon and Syria are Arab states which are committed to the Arab League Charter, the Arab defense pact, and joint economic cooperation and all agreements ratified within the framework of the Arab League.

They are members of the United Nations and are committed to its Charter.

They are also members of the Non-aligned Movement.

2. The two countries share a common destiny and common interests.

3. Each country supports the other in issues related to its security and national interests in accordance of the contents of this treaty. Therefore the governments of the two countries shall coordinate their Arab and international policies, cooperate to the fullest extent possible in Arab and international institutions and organizations, and coordinate their stands on regional and international issues.

Article 6. The following bodies shall be formed to achieve the goals of this treaty. Other bodies can be established by a decision from the Supreme Council.

1. The Supreme Council:

A. The Supreme Council will consist of the presidents of the two contracting countries and a number of other members from both countries.

B. The Supreme Council will meet at least once a year and more often when necessary at a venue to be agreed upon.

C. The Supreme Council charts the general policy for coordination and cooperation between the two states in the political, economic, security, military, and other fields. It also supervises the implementation of this policy and adopts the plans and decisions that are made by the Executive Body, the Foreign Affairs Committee, the Economic and Social Affairs Committee, the Defense and Security Affairs committee, or any committee that is established in the future provided that the constitutional provisions of the two countries are respected.

D. The Supreme Council's decisions are binding and effective within the framework of the constitutional laws and rules of the two countries except for those decisions, which require the approval of the

executive or legislative authorities in the two countries under their constitutional provisions.

E. The Supreme Council defines the subjects on which the committees concerned have the right to make decisions. Once they are issued these decisions assume an executive nature within the framework of the constitutional laws and rules of the two countries except for those decisions, which require the approval of the executive or legislative authorities in the two countries under their constitutional provisions.

## 2. The Executive Body:

The Executive Body will consist of the prime ministers of the two countries and a number of ministers concerned with the relations between them. This body will assume the following tasks:

- A. To follow up on the implementation of the decisions and to submit reports to the Supreme Council on the phases of implementation.
- B. To coordinate the recommendations and decisions of the specialized committees and to submit the proposals to the supreme council.
- C. To hold meetings with the specialized committees whenever the need arises.
- D. The Executive Body will meet at least once every six months and more often when necessary at a venue to be agreed upon.

## 3. The Foreign Affairs Committee:

- A. The Foreign Affairs Committee will consist of the two countries' foreign ministers.
- B. The Foreign Affairs Committee will meet at least once every two months and more often when necessary in the two countries' capitals on a rotating basis.
- C. The Foreign Affairs Committee will seek to coordinate the foreign policy of the two countries with regard to their relations with all countries. The committee will work to coordinate their activities and stands at Arab and international organizations. The relevant plans will be drawn up and submitted to the Supreme Council.

## 4. The Economic and Social Affairs Committee:

A. The Economic and Social affairs Committee will consist of the ministers concerned in the two countries in economic and social sectors.

B. The Economic and Social affairs Committee will meet in the two countries' capitals on a rotating basis at least once every two months and more often when necessary.

C. The Economic and Social affairs Committee will be responsible for working to attain economic and social coordination between the two countries and for drawing up the recommendations that will lead to such coordination.

D. The recommendations adopted by the Economic and Social affairs Committee will take effect after they have been endorsed by the Supreme Council in accordance with the constitutional provisions of the two countries.

#### 5. The Defense and Security Affairs Committee:

A. The Defense and Security Affairs Committee will consist of the two countries' ministers of defense and interior.

B. The Defense and Security Affairs Committee will be responsible for studying the adequate measures needed to safeguard the two countries' security and for suggesting joint measures to confront any aggression or threat endangering their national security or any unrest that may disturb their internal security.

C. All plans recommendations and measures prepared by the Defense and Security Affairs Committee will be submitted to the Supreme Council for endorsement after taking into consideration the constitutional rules of the two countries.

#### 6. The General Secretariat:

A. A General Secretariat will be created to follow up on the implementation of the provisions of this treaty.

B. The General Secretariat will be headed by a secretary general who will be appointed by the Supreme Council.

C. The headquarters specialization basis and budget of the General Secretariat will be determined by the Supreme Council.

Closing Provisions:

- A. Special agreements shall be concluded between the two countries in the fields covered by this treaty such as the economic, security, defense, and other fields in accordance with the constitutional rules in each of the two countries and shall complement this treaty.
- B. This treaty shall take effect after being ratified by the authorities of the two countries in accordance with their constitutional provisions.
- C. Each of the two countries will abrogate any law or regulation, which is not in line with this treaty. Such abrogation will be done in a way that does not violate any constitutional provision in either country.<sup>160</sup>

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<sup>160</sup>Al Mashriq, “The Levant.” Available [Online]:  
<http://almashriq.hiof.no/lebanon/300/320/327/lebanon-syria.txt>

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